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NEWS SUMMARY

GENERAL BUSINESS

Detroit ready to acclaim Reagan

Republicans flocked into the car capital Detroit yesterday for a party convention which will nominate Mr. Ronald Reagan as its candidate for the November presidential election. The only element of suspense in the convention, which begins today, is Mr. Reagan's choice of running mate. Leading contenders are Mr. George Bush and Senator Richard Lugar. Latest opinion polls show the former California Governor widening his lead over President Carter. **Back Page.**

200 collapse

About 200 children were rushed to hospital after collapsing at a Nottinghamshire carnival. Insecticide fumes from a nearby forest were blamed.

Ships attacked

Unidentified war planes fired on two Cuban ships in the Atlantic off Africa, killing the captain of one vessel and wounding three officers.

Lord Armstrong

Lord Armstrong of Sanderstead, chairman of the Midlands Bank and former Head of the Civil Service died on Saturday in an Oxford hospital after collapsing at a private dinner party. He was 65. **Obituary, Page 4.**

Spying stepped up

East German intelligence services stepped up its espionage against West Germany, particularly in the micro-electronics industry. **Page 2.**

Anti-Games plot

Soviet Union said U.S. and NATO intelligence services had trained dozens of agents at "anti-Olympic schools" in the UK and West Germany for subversion in Moscow during the Games.

Khama successor

Dr. Quett Masire, Botswana's Vice-President and Finance Planning Minister, is expected to become president, succeeding Sir Seretse Khama who died yesterday aged 59. **Page 2.**

Metric muddle

Two leading employers' organizations, the CBI and the Retail Consortium, called for top level talks to end the present metrication muddle. **Page 4.**

Baby deaths

Some 5,000 babies die needlessly in Britain every year, says a Commons select committee report, because of inadequate anti-natal and per-natal facilities in the NHS.

Murder suspect

Jailed Italian financier Michele Sindona was named by Milan magistrates as a prime suspect in last year's murder of Sir. Giorgio Ambrosoli, the lawyer investigating his activities.

5 die in gunbattle

Three paramilitary civil guards and two suspected Basque guerrillas were killed in a gunbattle near San Sebastian.

Win for Jones

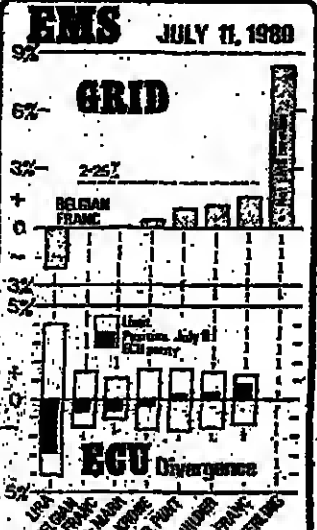
Australian Alan Jones, driving a Williams, won the British Grand Prix at Brands Hatch.

Briefly

Premium Bond prize winners were: £100,000—12XW 548653; £50,000—3NB 408395; and £25,000—3BT 500379.
Zanzibar leader Aboud Jumbe said 16 people had been detained in connection with an attempted coup. **Page 2.**
Mr. Joe Brennan, the Speaker of the Dail, the Irish Parliament, died at the age of 67.

No pay rise for Whitehall scientists

SENIOR Civil Service scientists have been told they can have no pay rise this year because their salaries have outstripped those paid to comparable grades in industry. **Back Page.**
AFTER another inactive week in the foreign exchange market, there was again little change within the European Monetary System.
The Italian lira remained the weakest member by a substantial margin, while the French franc was consistently the strongest currency. The Dutch guilder and Irish punt also traded comfortably towards the top of the system, followed by the Danish krona.
The D-Mark and Belgian franc were the weakest currencies, apart from the lira, with the Belgian currency showing a downward trend as the central bank in Brussels made further cuts in short term interest rates.



The chart shows the two constraints on European Monetary System exchange rates. The upper grid, based on the central bank's target, defines the cross rates from which no currency (except the lire) may move more than 2.25% from its central rate. The lower grid, based on the European Currency Unit (ECU), is a basket of European currencies.

BRITISH industry must invest £250m in robots over the next ten years if it is to compete with the Japanese, according to a Government-commissioned report. **Back Page.**

NUMBER of economists regularly involved in Treasury forecasting is to be cut by half as part of a major reorganization of the department's economic side. **Back Page.**

CRAFT unions involved in the Isle of Grain dispute appeared ready to defy a TUC committee's recommendation to withdraw their members from site isolation work to allow GSWU members to regain jobs. **Page 5.**

TUC general secretary Len Murray voiced optimism over the future of talks between the TUC and the CBI and pessimism over future relations with the Government. **Page 5.**

TRIBUNAL has been set up Hong Kong Financial Secretary Sir Philip Haddon-Cave to investigate possible insider trading in Hutchison Whampoa shares last September. **Page 25.**

ROY TUCKER, co-founder of the Rosebud tax consulting group under investigation by the Inland Revenue, asked police if he was wanted for arrest.

COMPANIES

DEALINGS re-start today in Hamilton, the former brick-making company, now named Energy Capital following the injection of substantial uranium, gas and oil interests. **Page 14.**

GOTTAAS LARSEN, former shipping subsidiary of IU International, plans to have its shares listed on the Stock Exchange. It will be the first shipping company for several years to get a listing. **Page 14.**

British competitive position almost 30% worse in year

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

THE COMPETITIVE position of British manufactured goods in home and export markets worsened by nearly 30 per cent in the year to this spring. This change is larger than generally assumed on the basis of commonly used measures of competitiveness.
The marked deterioration over the last year is the result of accelerating growth of UK labour costs and appreciation in the pound's value on foreign exchange markets.
This is shown in previously unpublished Treasury estimates disclosed in a Parliamentary written answer and highlights the problems faced by British companies in selling overseas and in competing against imports.
The normal pattern is for a deterioration in competitive position to be reflected in a time lag, hitting first imports and then exports. Some of the impact on imports may be masked by the recession, which is leading to cuts in stocks of raw materials and goods, and therefore in purchases from overseas.
The deterioration in the competitive position of British goods began in 1977-78 when some of the big gains of the 1976 depreciation in the value of sterling started to erode. But the major weakening has occurred over the last year.
The Treasury figures represent an index of relative normal unit labour costs. This index measures labour costs per unit of output in the UK divided by an average of competitors' unit labour costs after adjusting for changes in exchange rates.
The normal part of the title refers to an attempt to allow for short-term variations in productivity compared with its assumed long-term potential rate of growth.
This index, and measures of relative prices, are regarded by economists as indicators of the competitive pressures on industry's profit margins and prices.
The Treasury labour costs index shows a larger deterioration than the other main index which is calculated by the International Monetary Fund and published in the Central Statistical Office's monthly Journal, Economic Trends.
The last fully comparable figures are for the year to the fourth quarter of 1979. The Treasury index indicates a deterioration of 23.3 per cent while the IMF index shows a worsening of 14.2 per cent.
The main reason for the difference is that the Treasury believes the projections of underlying productivity growth used in the IMF index are rather high. Hence, the IMF's estimate of normal unit labour costs in the UK is too low.
The IMF assumes a 2.1 per cent annual increase in output per head in manufacturing while the Treasury assumes a 1.1 per cent rise, which is much nearer to what has actually happened.
The Treasury index differs from the IMF's one by using a smaller number of competitor countries and different weightings in its calculation. Some of the difference between the figures may also be explained by variations in the measurement of labour costs and output.
Treasury Economic Reorganisation, **Back Page, Lombard, Page 10.**

Meriden co-op's debt to Government nears £12m

BY OUR INDUSTRIAL STAFF

THE MERIDEN motor-cycle co-operative owed £11.94m to the Government at the end of June and is losing £237,000 each month, Sir Keith Joseph, the Industry Secretary, has been told.
But a letter to Sir Keith from Mr. Harry Hooper, chairman of the Hull-based Armstrong Equipment, which wants to take over Meriden, says that if the co-operative were to be liquidated, "it is highly unlikely that there would be more than £1m left against government claims" after meeting redundancy payments, bank charges and the £1.3m owed to trade creditors.
Armstrong launched its takeover initiative last month, making clear at the time that it was conditional on the Industry Department waiving £4.2m in loans and £1.65m in interest charges owed to it by the co-operative.
On its own, this would have been a sufficiently embarrassing problem for Sir Keith. There were signs, however, that he might agree, precisely because the Government would still be unable to recoup its money if it liquidated the co-operative. Other creditors would also suffer.
But the letter makes clear that Armstrong also requires the Government to waive £5.34m owed by Meriden to the Export Credits Guarantee Corporation.
It warns Sir Keith: "Time is rapidly running out for Triumph. Only an early decision on the write-off of all Government loans and interest charges in the event of a takeover... by Armstrong could allow a resurrection of Triumph."
The Government now has to tackle not only the political implications of waiving the Department loan, but also whether it can find a way round the commercial criteria which govern ECGD dealings. Waiving the Meriden debt could mean the ECGD covering its loss from its other customers if the Government could not find some way of reimbursing it.
Armstrong says it believes Meriden can be put on a sound footing, by cutting the workforce by two-thirds to 150, selling off the main factory and continuing production in a smaller, adjoining building.
The workforce has already agreed to Armstrong's proposals, which also include introduction of a job evaluated wages structure.
It is Armstrong's intention to produce about 100 a week of existing 750 cc models—current output is down to 50 a week.
"The problem with Triumph has essentially been that of much of British industry, in being grossly overmanned," the letter tells Sir Keith. "The accumulated losses would not have arisen had manning been at the levels which my own survey has indicated would have been possible."
Negotiations are still continuing between Armstrong, Industry Department civil servants and leading Meriden shop stewards, but it is clear that the ECGD demand diminishes the prospect of a rescue.

Proms 'almost certainly' doomed

BY JOHN LLOYD, LABOUR CORRESPONDENT

THE BBC has now effectively ruled out any possibility that this year's series of Promenade Concerts, due to begin on Friday, can be saved.
Mr. Aubrey Singer, managing director of BBC Radio, said yesterday: "I think the way things are going it is highly unlikely they will go on at the time set." A final decision is to be made tomorrow morning.
It also became clear yesterday that the BBC and the Musician's Union, in dispute over the Corporation's plans to cut five orchestras, are at least as far apart as ever and that there is little chance of an early end to the six-week musicians' strike.
Mr. Singer said that the BBC could hold out for a year or more against the strike "with no problem whatsoever." He said that the Corporation was saving money because of it, though he did not like the fact that his colleagues were "suffering on picket lines."
Mr. Singer said that the revised proposals on economies in live music, presented to the unions during talks at the Advisory, Conciliation and Arbitration Service on Friday, would mean the saving of 42 jobs previously cut, making a proposed reduction of 130 jobs from the present complement of 551 salaried musicians in 11 orchestras.
He said that none of the musicians who would be dismissed would be "put out on the streets." All those who did not take early retirement would be placed on a retainer of at least £2,000 for around three years. "All of these are of course negotiable. It could well be the case that a musician could make as much or more in freelance earnings in this way."
The proposals, which Mr. Singer admitted owed something to public pressure, especially in Scotland, were "final," though there was some room for manoeuvre within their framework.
Mr. John Morton, the Musicians' Union general secretary, rejected the proposals as "an insult," and said that the two sides were further apart than ever.
He disputed the basis of the BBC's claim that it was saving 42 jobs compared to previous proposals. The BBC claims that 20 new jobs will be created in an expanded Ulster Orchestra. But the union says these are not new jobs.
He also said that the union had proposed an alternative method of finding the £500,000 savings required, by cutting 30 hours of "needle time" or recorded music output per week. He admitted this would mean the possible merger of Radios One and Two earlier in the evening, and possibly other cutbacks in the pop music output.

'Conciliation' after Polish unrest

BY CHRISTOPHER BOBINSKI IN WARSAW

THE POLISH authorities have instructed the managers of major industrial plants hit by the wave of workers' unrest to adopt a conciliatory stance in wage demands which are backed by strike action.
The instruction to top management is evidence of the fact that Poland's communist leadership is faced with a situation which is unique in eastern Europe.
It came at a special meeting in Warsaw on Friday which followed ten days of widespread industrial unrest triggered off by meat price increases introduced from July 1.
Poland is now grappling with what amounts to a round of free collective wage bargaining between the most powerful workforce in the eastern bloc and authorities whose memories of the food riots of 1970 which brought down the government of the time are still vivid.
After two attempts to raise meat prices in 1970 and 1976 ended in failure it now looks as if last week's efforts, introduced as part of a wider austerity package, will end in disaster.
The dissident Self Defence Committee (KOR) has now documented 27 cases of shop floor stoppages throughout Poland in support of its demands for wage increases and the withdrawal of the meat price increases.
The KOR Group, which was set up in 1976 to defend

Chinese workers offered shares

By Tony Walker in Peking

WORKERS in a Chinese furniture factory were recently invited to buy shares to help the enterprise overcome liquidity problems.
They entitle the holder to a share of the profits at the end of the year, the Worker's Daily reported at the weekend.
The company, in Harbin, North China, invited its workers to buy shares only after it was assured by higher authorities that it would not be denounced for capitalist tendencies, the paper said.
Such a scheme would help everyone involved it said—the State, the collective that ran the enterprise and individual workers.
The factory found it was short of about \$300,000 (£126,156) in revolving funds because of a rapid increase in production.
To continue ambitious expansion plans, it needed money from the bank. But it had to put up an equal amount to attract a loan. It was then that the workers were asked to contribute about \$50,000 to make up the shortfall.
Shares were sold in \$60 lots. One or more workers could buy a share and could buy more than one. A share is the equivalent of about two months' wages for the average worker.
The money will have to be left in the enterprise for at least a year. The Worker's Daily said benefits will equal at least the amount of interest savings would earn it in a bank.
The paper noted it was a good method to mobilise the masses to concentrate idle funds on developing production. It could also arouse workers' enthusiasm for collective production, and prompt officials to strengthen their feeling of responsibility in economic accounting and management.
The Harbin factory's venture into capitalist stock-holding may well spread. Semi-private ownership of the means of production, if it does not benefit one individual at the expense of others, would accord with new economic management practice.
Individual financial participation would also accord with China's efforts to persuade people that to aspire to material well-being is not necessarily a crime against socialism.
In some towns, individuals are being encouraged to buy their own houses as a means of freeing savings in banks, to help finance construction and overcome the serious housing shortage.

Leading Iran generals held over coup bid

BY PATRICK COCKBURN IN TEHRAN AND ANDREW WHITLEY

TWO of Iran's top generals, a former air force commander and a former gendarmie chief have been arrested and will go on trial this week, following the failure of a coup, which represented the most serious challenge which the Islamic republic has faced. According to newspaper reports, another 600 conspirators, mostly from the army and air force, have also been rounded up.
The unsuccessful coup was said to have been aimed at killing Ayatollah Khomeini, freeing the American hostages and bringing back to power Dr. Shapur Bakhtiar, the exiled opposition leader.
In response to the news of the defeated coup attempt, the country's leading theological institution called on the people of Tehran to climb on to their rooftops to shout "Allah-o-Akbar," God is Great. The call also marked the eve of Ramadan, the Muslim month of fasting and prayer, expected to be enforced this year with even more rigour than before.
Among those detained in the past few days is the commander of the important 92nd Armoured Division in Ahwaz, the capital of the Khuzestan oil province adjoining Iran's hostile neighbour, Iraq, along with 17 of his officers.
The conspirators were mainly from the major air base at Hamedan, south west of the capital, and from Ahwaz where the armoured divisions are concentrated to defend the oilfields.
Some 250 generals were executed when Ayatollah Khomeini came to power in February 1979. A similar number were arrested or retired, leaving a depleted but by no means decimated officer corps, in which many were still loyal to the Shah's vision of Iran's future.
Under the Shah, Iran's 415,000 armed forces contained as many as 80,000-90,000 officers. A pampered elite in the past, they have remained an object of suspicion for the revolutionary authorities, and have been subject to repeated purges.
Perhaps 8,000 to 10,000 officers have fled overseas, to Western Europe and the United States, or retired voluntarily since the revolution.
Many have been given political asylum in the West, while up to 500 of them are believed to have taken up political and military action against the Khomeini regime from abroad.

Admission

Their aim seems to have been to take over the Hamedan and Ahwaz bases and raise the flag of revolt against Ayatollah Khomeini. They would only then have looked for more general military support.

So far there has been no word from the main opposition figures abroad, Dr. Bakhtiar and two generals, Oveissi and Aryana, as to whether they had any involvement in the plot. But it is known that all the exiles are relying to a large extent on a successful military uprising within Iran before returning themselves.

Tip-off

In the oil province a number of key military commands, including the Khorramshahr naval base, have been taken over by men from the paramilitary Revolutionary Guards. Another full-scale purge of the officer corps in the armed forces is likely.
The coup plot, said to have been codenamed "Red Alert," was to have been launched last Wednesday or Thursday, but was apparently nipped in the bud just hours before it was due to go into effect after one of the conspirators, a pilot, had tipped off an Islamic commissar.
It was to have involved up to 30 American-built Phantom fighter-bombers which would have attacked targets such as the home of Ayatollah Khomeini in north Tehran, the President's office in the centre of the city.

Where?

Thinking about relocation, but where? You will have a set of views, opinions and prejudices about different areas of the country. This forms your geographical "mental map" through which you sense the relationship of one place to another. But with so many carefully manipulated maps about, it is easy to confuse your "mental map" with reality.

We don't intend to confuse you. No manipulated map. Just straight talking. Quite simply Northampton's gaselier roads midway between London and Birmingham on the M1, close to the M6 junction and therefore with easy reach of most of the country. Indeed, 50% of Britain's industry and 57% of its population is within a 100 mile radius. The major sea ports of London, Southampton, Bristol, Birmingham, Felixstowe and Harwich are all within a 100 mile radius. Birmingham, Luton and East Midlands airports are within 50 miles. Heathrow is about 70 miles away.

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OVERSEAS NEWS

East Germany increases economic spying

BY ROGER BOYES IN BONN

THE EAST GERMAN intelligence service has stepped up economic espionage against West Germany and has become particularly interested in information on micro-electronics and data processing.

This emerges from the annual report of the West German counter-intelligence service, the Bundesverfassungsschutz, which stresses that East Germany now has the most active communist spy network in the country. Over three-quarters of all reported approaches to West German citizens by agents last year came from East German agents.

Four out of the 15 sections of the main East German intelligence centre, the Ministry for State Security, are now devoted to gathering economic information, in both published and classified form.

The electronics industry is the prime target of these efforts and East German agents have been concentrating on micro-electronics, electronic data processing and on new computer hardware and software, including source codes. The report states that this reflects both East Germany's technological lag behind the West and its pressing need to rationalise parts of its industry with robot and micro-processor technology.

East German agents have also been particularly interested in energy and chemical companies and the research and development divisions of various industries.

Begin rejects British plea

BY OUR FOREIGN STAFF

MR. MENACHEM BEGIN, the Israeli Premier, yesterday reacted sharply to a statement by Lord Carrington, the British Foreign Secretary, who urged Mr. Begin not to move his office to East Jerusalem.

The Israeli Premier retorted that he would not presume to tell Mrs. Thatcher where to have her office and that Jerusalem had been Israel's capital under King David long before the civilised world had ever heard of London.

Meanwhile, the inter-Christian

fighting which last week left scores of casualties in the Lebanon has had repercussions in the Israeli-backed Christian enclave in the south of the country. According to Beirut reports, there were clashes at the town of Qlala, a main stronghold in the enclave controlled by Major Saad Haddad and his "Free Lebanon Army."

Israel was said to have sent security men dressed in civilian clothes into the five-mile-wide enclave stretching along the Lebanese southern border

Assad may seal frontiers to thwart rebels

BY OUR FOREIGN STAFF



SYRIA is seriously considering closing its borders in an effort to stem the flow of arms to Moslem groups threatening the regime of President Hafez Assad.

In remarkably frank front-page editorial, the editor-in-chief of the Government newspaper, *Tishrin*, said over the weekend that "it can no longer be tolerated that Syrian borders remain open to be used to channel supplies to saboteurs inside Syria in order to blow up the country," he added.

This is the most open admission yet by the 10-year-old regime in Damascus that it is in real trouble.

In the past few weeks, senior Syrian officials have openly accused both Iraq and Jordan of supporting Moslem fundamentalists bent on overthrowing President Assad. Extremist

groups have fought a series of pitched battles with Syrian security forces recently in several major population centres.

Two weeks ago, according to unconfirmed reports, President Assad narrowly survived a grenade attack in the centre of Damascus, which is one of the most tightly guarded cities in the Middle East.

The major threat almost certainly stems from the disaffected majority Sunni Moslems, whose position has been steadily eroded by President Assad's minority Alawite sect.

It is also likely that the rival Ba'athist regime in Baghdad has been stepping up its support of President Assad's opponents as part of the historic rivalry between the two parties.

While actual closing of Syria's desert frontiers with Jordan and Iraq would be next to impossible, greater security is to be expected.

A serious threat to President Assad's regime, which is the longest surviving government in modern Syrian history, would have serious implications for the region.

Syria has nearly 20,000 troops stationed in Lebanon, effectively keeping the predominantly Christian and Muslim factors, and the Palestinians, apart. President Assad, while leading the opposition to the Egyptian-Israeli peace treaty, has also proved more pragmatic and less intransigent than any of his predecessors when it has come to actual negotiations over the Middle East conflict.

In what may be a related move, Col. Rifaat Assad, the

President's brother and commander of the regime's elite praetorian guard, flew suddenly to Saudi Arabia on Saturday.

According to the official Syrian news agency, Col. Assad saw Prince Abdullah, Commander of the Saudi National Guard and the man responsible for relations with Syria and Lebanon.

It is likely that the two men discussed the deteriorating situation in Lebanon in the light of the bloody emergence of the Phalangists as the major Christian power last week and Syria's persistent threat that it will pull out its troops.

President Assad would be most reluctant to commit himself even more deeply to the Russians. He has persistently refused to sign a Treaty of Friendship with the Soviet Union.

State rescue for Spanish steel plant

By Our Madrid Correspondent

SPAIN'S Deputy Prime Minister and Minister in charge of economic affairs, Sr. Fernando Abril Martorell, has presented a tough nine-point plan for the crisis-hit Nervacero steel plant in Bilbao. If it is accepted by the labour force, it will allow direct Government funding to save the works.

Nervacero, which has been closed since last December, was last week refused a promised Pta 479 bn credit by the state-controlled Banco de Crédito Industrial (BCI) after the bank board ruled out any further loans to the plant. Nervacero is estimated to be currently owing Pta 6 bn and the BCI had previously granted credits to meet wage bills.

At a meeting with Nervacero union officials on Saturday, Sr. Abril Martorell said credits would be made available if the nearly 1,000 strong labour force accepted an across the board cut in wages by agreeing to salaries paid under a 1975 wage agreement. Other points in the Deputy Prime Minister's plan included: an agreement to keep annual wage increases over the next two years to 5 per cent; and an undertaking from the union to ensure that there would be no stoppages at the plant until 1983.

Sr. Abril Martorell gave the union leaders a 15-day period to accept his terms.

Zanzibar coup plot confirmed

By Our Dar Es Salaam Correspondent

ZANZIBAR leader, Aboud Jumbe, who has been facing increasingly bitter opposition, confirmed in a weekend speech that there had been an abortive coup to topple him. Security forces had arrested 16 plotters, who would be tried, he said.

There were no official details of these arrests, though they are believed to include several prominent businessmen, some former army officers and at least one Zanzibar Minister.

Tanzania's armed forces were put on partial alert last week and, on the island, opponents of Mr. Jumbe were detained.

Troops carried out searches for arms. Mr. Jumbe said: "The coup was foiled at the 11th hour when the plotters had completed a detailed plan for their illegal act."

Mr. Jumbe is closely identified with President Nyerere and many Zanzibaris blame President Nyerere's socialism for the island's worsening economic state.

The alleged coup leaders are likely to be tried in the Zanzibar Supreme Court, as were the leaders of the abortive 1972 coup in which Zanzibar strongman Abeid Karume was assassinated.

President Julius Nyerere refused to hand them over because of his dislike of Zanzibar's legal system

Mugabe minister launches attack on Nkomo

BY OUR FOREIGN STAFF

DIVISIONS in Zimbabwe's ruling coalition were underlined over the weekend with a second attack from a minister of Mr. Joshua Nkomo, the leader of the Patriotic Front and Home Affairs Minister.

Mr. Edgar Tekere, the Minister of Manpower, Planning and Development and secretary general of the ruling party, added his voice to that of the Finance Minister, Mr. Enos

Nkala, who said last week that Mr. Nkomo, whose party holds four cabinet posts, should be crushed.

"I am one who is going to be easily persuaded that Nkomo deserves to be crushed," he said. Another member of Prime Minister Robert Mugabe's ZANU-PF party, Senator Mwen Ndlovu, also attacked Mr. Nkomo, for "disturbing the peace."

Mr. Tekere accused the forces of Mr. Nkomo's ZUPA of acts of violence and intimidation. In response, the deputy leader of the front, Mr. Joshua Chinamano, claimed that party workers were the object of "intense intimidation" from the ZANU-PF.

The widening of the attacks on Mr. Nkomo and his party raises fresh doubts about the Nkomo-Mugabe coalition at a time when 35,000 of the leaders' armed guerrillas still await disbanding.

The weekend's statements show that opinion against Mr. Nkomo is widespread in the leading white American clergy. He said that both Bishop Paul Burroughs of Mashonaland and the Dean of Salisbury, the Rev. John Da Costa "should go." Mr. Tekere's remarks are the first public attack on the church by a Zanu-PF minister.

Daunting challenges face Botswana's new ruler

BY BERNARD SIMON IN JOHANNESBURG

SIR SERETSE KHAMA, the President of Botswana since the country's independence in 1966, died in Gaborone yesterday at the age of 59. He is expected to be succeeded by Dr. Quett Masire, the present Vice-President and Finance and Planning Minister.

Dr. Masire, who has been sworn in as acting President until Sir Seretse's successor is elected by the National Assembly, later this week.

Sir Seretse died two weeks after being flown home from Britain where doctors diagnosed an inoperable illness. In 1943 he was forced to renounce his chieftainship of the Bamangwato tribe and spend six years in exile in London after marrying an Englishwoman.

In October, 1956, years after the upheavals over his

marriage, Sir Seretse was allowed to return from exile. In 1961 he was elected a member of his country's first multi-racial legislative council. The following year, he launched the Bechuanaland Democratic Party.

Sir Seretse became the first President when Bechuanaland became the independent republic of Botswana on September 30, 1966. He took pride in being the head of a multi-party parliamentary democracy and has frequently warned his people of the turmoil that coups brought to other African nations.

Although Dr. Masire is reputed to be less conservative than Sir Seretse, he is likely to continue the policies which have made Botswana one of the most stable countries in Africa. Botswana is still a multi-party democracy, re-

markably free of racial and tribal tensions. Sir Seretse's Botswana Democratic Party, won 29 of the 32 national assembly seats in last year's general election.

Dr. Masire will also inherit the unenviable task of guiding the country between the economic and geographical reality of dependence on South Africa (together with its administered territory of Namibia) almost surrounds Botswana and the political necessity of maintaining credibility and influence within the Organisation of African Unity.

Sir Seretse performed the balancing act with considerable skill. He maintained a business-like relationship with South Africa, which supplies some 80 per cent of Botswana's imports, and controls all its main transport

links. At the same time he was an outspoken critic of apartheid and, during the Rhodesian Bush war, an active member of the black African front line states ranged against Mr. Ian Smith's government in Salisbury.

Within the tight limits of Botswana's geographic situation Sir Seretse took every possible opportunity of loosening the country's dependence on Pretoria. In 1976 Botswana withdrew from the Rand monetary area.

The end of the seven-year war in Zimbabwe, which frequently spilled over into Botswana and threatened both its economic and political stability, should make the task of the country's new rulers easier.

Nonetheless, they face a number of daunting chal-

lenges. One is the fear that without Sir Seretse's conciliatory influence tribalism will again become a major factor in domestic politics. Sir Seretse belonged to the dominant Bamangwato tribe. Dr. Masire comes from the minority Bangwaketse group in the south of the country. The present regent of the Bamangwato is Sir Seretse's son, Ian, currently second in command of Botswana's fledgling (and so far apolitical) defence force. But according to observers Ian Khama's current political ambitions are unlikely to be a disruptive force in domestic politics.

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New Issue

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S. African motor sales at record levels

BY BERNARD SIMON IN JOHANNESBURG

SALES OF motor vehicles in South Africa reached record levels in the first half of 1980, the National Association of Automobile Manufacturers said in Port Elizabeth.

Passenger car sales totalled 127,051 units, 22 per cent higher than in the first six months of 1979. Commercial vehicle sales were also up—by 20.5 per cent—with 58,446 vehicles sold between January and June.

Demand has been even higher than the sales figures indicate, but motor component suppliers have been unable to meet the requirements of the assemblers.

Motor manufacturers expect car sales for the year to exceed 250,000 units, compared to last year's total of 215,000 and the previous record of 228,000 reached in 1975. Truck sales should reach 120,000 vehicles in 1980, against just over 100,000 last year.

The leading car manufacturer so far this year is Volkswagen, with a 21 per cent market share.

However, the VW factory at Uitenhage was shut down by a three-week strike by black workers last month, which should result in a sharp drop in sales during July and August. Volkswagen

says it plans to work overtime from next week to make up the backlog in orders.

Siema, the company controlled by Anglo American which makes Mazda, Peugeot and Citroën cars, had a 20.6 per cent share of the car market in the first half of 1980. Ford was third with a 13.9 per cent share. Datsun, Toyota and General Motors are the leading commercial vehicle manufacturers.

Leyland, B.L.A. local subsidiary, has still not recovered from its abortive merger negotiations with Sigma last year. Leyland car sales have been steadily falling this year, reaching a monthly low of only 215 vehicles in June. Its share of the total car market was 1.4 per cent.

A company spokesman says, however, that demand for Leyland trucks and buses is strong, with a market share at around 13 per cent.

In an effort to increase its sales, Leyland is to reintroduce its Mini range next week. There is also speculation that its under-utilised plant near Cape Town may be used to assemble MG sports cars, following the suspension of production of these cars in Britain.

S. Korea to permit local sales of colour TVs

SEOUL—South Korea, under strong pressures from the U.S., its major colour television set market, is to allow domestic sales of its colour TV sets from August 1, AP-DJ reports.

Commerce Minister Shin Byung-Hyun said that this move was inevitable to help develop S. Korea's electronic industry and also to gain a bigger export quota from the U.S. However, the start of domestic colour TV broadcasting has yet to be decided. The government has opposed colour TV broadcasting on the grounds that it is more energy consuming.

S. Korea has been producing colour TV sets solely for export but has been subject to growing pressure from the U.S. and other markets for local sales of S. Korean colour TV sets.

With colour TV production capacity of about 1.7m sets a year, S. Korea has sold a total of 1.3m sets from 1977 to May this year. Colour TV exports to the U.S. in the first six months of this year totalled 168,100 sets.

Matsumita Electric Industrial has signed an original equipment maker contract with Saxon Industries of the U.S. to sell two newly developed dry-type duplicating machines in the U.S. Reuter reports from Tokyo.

German Brown Boveri to build Nigeria power plant

BY ROGER BOYES IN BONN

BROWN BOVERI and CIE, the West German subsidiary of the Swiss engineering group, has won a DM 200m (\$48.25m) contract to supply a gas turbine-based power station in Nigeria.

The turnkey deal is significant because it underlines the continued willingness of major oil-producing countries to place large contracts with German industry. Many German industrial plant specialists had feared that the bulk of OPEC would not reinvest surplus funds in turnkey projects, despite the recent oil price rises.

Significantly, the project is energy-related. The Lagos-based National Electric Power Authority wants Brown Boveri to build and install six gas turbines, each with a capacity

of 78 MW, in Port Harcourt near Nigeria's large natural gas deposits.

Brown Boveri has already built gas turbines for Nigeria and the first turbine in the current project will be ready by the end of next year. The whole power station should come on stream by the end of 1982.

Nigeria, which is West Germany's third most important oil supplier, apparently wants to develop the affiliated electricity grid around natural gas deposits so that it can better exploit this source of revenue. A group of leading West European gas distributors has already reached a 20 year agreement with Nigeria providing for the annual supply of 850 cubic metres of liquefied natural gas from about 1984.

But this commitment to long term natural gas production—though welcomed by the Nigerians—has meant that considerable thought has had to be given to developing the necessary infrastructure. Hence the BBC deal which should substantially boost electricity supplies in the Port Harcourt area.

Lancaster, the UK lift truck manufacturer, has appointed Commind Nigeria to distribute and service its frontlift, sidelifit and container handling trucks throughout the country. Lancaster equipment for use in Nigeria includes 2.7 tonne capacity frontlift trucks, 7.57 tonne capacity heavy-duty frontlifts and a range of general purpose sidelifits with up to 37 tonnes capacity.

Allis set to win Yacyreta deal

BY ROBERT LINDLEY IN BUENOS AIRES

ALLIS CHALMERS has presented the lowest bid for the supply of 30 turbines for the Yacyreta hydro-electric project, which Argentina and Paraguay are to install jointly on the Parana river.

Contrary to expectation the consortium comprising the Soviet Union's Energomachestvo, Siemens West Germany and GIO of Italy was not the lowest bidder. This consortium's

bid was in fact \$30m higher than the Allis Chalmers bid of \$172m. The bid by Boving of Britain was \$242.2m.

The consortium's bid is expected to be rejected in favour of the Allis Chalmers bid, especially in the light of the difficulties which the Salto Grande hydro-electric scheme, a joint Uruguayan-Argentine venture on the Uruguay River, is having with turbines supplied by the Soviet Union.

The likelihood that the Soviet-German-Italian bid will be rejected and the U.S. bid accepted is seen here to be significant in the process of the rapidly improving relations between the U.S. and Argentine governments. For four years the two governments were at loggerheads because of U.S. State Department accusations that the Videla regime violated human rights in its war against the guerrillas.

France, Italy agree to study commuter aircraft production

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AEROSPATIALE of France and Aeritalia of Italy have signed an agreement to study the possibility of jointly developing a commuter aircraft seating between 40 and 50 passengers for service starting in 1985.

This development follows recent news that Short Brothers of Belfast was planning a new commuter airliner and that Saab-Scania of Sweden were preparing to build a commuter airliner in conjunction with Fairchild Industries of the U.S., seating 34 passengers.

This spate of interest in these smaller airliners, especially for the U.S. market, stems from the growing volume of traffic wanting to fly at low cost over distances of 200 miles or less between places which have not hitherto had air services. This is especially the case in the U.S., and also to a lesser extent in the countries of the Third World.

In the U.S., the commuter or local service airlines have blossomed in recent months, partly because fuel price rises have made inter-city motoring expensive, and partly because bigger airlines have abandoned short-distance routes, again because of soaring fuel costs, with the result that smaller airlines have moved in.

Commuter air travel in the U.S. is now one of the biggest aviation growth sectors, com-

trasting sharply with declining traffic on the longer routes.

As a result, the world's aircraft manufacturers see a market for around 1,000 commuter airliners of all kinds in the 20-40 seat bracket over the next decade.

McDonnell Douglas has launched a major publicity campaign to improve the image of the DC-10, which has suffered from a decline in sales since the accident at Chicago in May last year which killed all 273 aboard.

The campaign will include TV commercials and newspaper and magazine advertisements, both in the U.S. and overseas. McDonnell Douglas has secured orders for 32 aircraft, with another eight on option, since the Chicago accident, which it admits is less than it might otherwise have won.

It attributes this not only to public reluctance to fly in the DC-10, but also to advertising campaigns by some U.S. airlines based on the theme that they do not use DC-10s.

Mr. Sanford N. McDonnell said that the DC-10, subsequent to the Chicago accident, had been "proved beyond possible reasonable doubt to meet the highest standards of the aircraft industry," although he conceded that "some people will not readily agree" to that claim.

Renault awarded bus contract by Egypt

BY TERRY DODSWORTH IN PARIS

RENAULT VEHICLES Industriels (RVI), the French commercial vehicle manufacturer, has won a FFfr 93m (\$9.7m) order from Egypt for the supply of more than 200 buses and coaches.

The contract comes at a time when RVI, a subsidiary of the Renault vehicles group, is making a big effort to break into new overseas markets for both trucks and buses. Following the merger of the Savien and Berliet group to form RVI, a new range of vehicles has been developed with a particular eye to sales outside France.

The bulk of the Egypt order is for 164 coaches which have been bought for FFfrs 50m by three public transport organisations. In addition, 40 buses for urban transport have been sold to Alexandria for a total of FFfrs 12.6m.

These follow a similar recent order for the delivery of 100 buses of the same type to the city.

Renault has had particular success with its urban bus

range in Africa, where the company maintains strong links with French-speaking regions. It has also concluded a licensing deal with Polmot, the Polish concern, and sold 220 vehicles in Beirut.

Mitsubishi Motors has received a Yen 3.5bn (\$6.74m) order for 540 large-sized trucks and buses from Syria's foreign trade organisation for machinery and equipment. Reuter reports from Tokyo. The vehicles to be shipped in September, comprise heavy-duty trucks and 40 buses. Mitsubishi said the trucks will be used for transportation of agricultural products to Saudi Arabia and Kuwait.

Ferranti Engineering's container handling division has won orders worth over \$1.5m for seven van carriers to be supplied to Syria. Four machines are destined for the Latakia Port Company, and the remaining three for the Tartous Port Company. These machines will be the first Ferranti van carriers to be exported to Syria.

"\$600,000 SAYS WE WERE RIGHT TO HAVE ECGD COVER"

As you would expect of a company which has won two Queen's Awards for Export, the Baker Perkins Group (headquarters Peterborough) is not only successful but highly professional in its approach to the exporting of plant and machinery for the food, chemical, printing and foundry industries.

"Of course," said Franklin Braithwaite, Chairman (left), "we make wide use of the financial benefits of our ECGD export insurance

policies—especially extended credit terms. But apart from that, with export sales of over £35 million last year in 100 countries, I don't think I could sleep at nights without export insurance protection which is good value for the premiums we pay."

"During the 1970s" added Managing Director John Peake, "ECGD paid us promptly claims of over £600,000 in markets where we thought we were safe. But with the current economic and political turbulence, how could anyone be complacent about the risk element in any part of the world?"



SHIPPING REPORT

Dull time for dry cargo

BY OUR SHIPPING CORRESPONDENT

RATES in the dry cargo market continued to fall last week and shipowners have resigned themselves to a dull summer. The market for large bulk carriers has been particularly hard hit with the rate for 76,000-tonners in the key U.S. Gulf/Continent grain trade down to \$15 per tonne against a recent peak of \$28.75 per tonne.

Denholm Coates, the London shipbroker, reports that following the sharp drop in rate business, volume in the Gulf grain trades is recovering and rates may well have bottomed out. Denholm also notes that another encouraging sign is the willingness of Chinese charterers to fix ships up to next October from the U.S. Gulf at a steady \$44 per tonne for 25,000-tonners.

Generally, shipping brokers do not appear too alarmed by the recent slump in freight rates. Harler, Mullion and Company (part of the Kiewit-Benson group) says in its latest market report that the start of the River Plate grain season in the Autumn should help the market and the Russians are likely to be back in force in a few months' time.

In the tanker market, tonnage is building up in the Gulf loading area and an increasing number of ships are going into lay-up. Davies and Newman reports

that the number of idle tankers rose by 1.2m dwt to 15.5m dwt last month. Owners are also sending more ships to the breakers' yards. According to Lamher Brothers 1.8m dwt was scrapped in June. This is double last year's average monthly figure and compares with an average 350,000 dwt per month at the start of 1980.

Rates for Very Large Crude Carriers (VLCCs) remain depressed and the benchmark figure is of the order of Worldscale 32. However, smaller tankers are faring better. E. A. Gibson reports that a 60,000 ton cargo from the Gulf to the Mediterranean was fixed at Worldscale 120 and a 32,000 ton cargo to the east coast of South America was fixed at Worldscale 144.

The downturn in the dry cargo market has affected sentiment in the sale and purchase market. Galbraith Wrightson reports that the 1973-bulk Thalassini Avra (79,750 dwt) has been sold for around \$19.5m. Less than a month ago a similar vessel changed hands at \$21.75m.

Were it not for the Chinese, who are reported to have bought a dozen bulk carriers in the 30,000 dwt to 33,000 dwt range over the past month, the market would be weaker.

World Economic Indicators

FOREIGN EXCHANGE RESERVES (U.S. \$m)

	May '80	April '80	March '80	May '79
UK	20,395	20,175	19,351	14,296
U.S.	5,721	5,558	5,372	7,859
W. Germany	42,765	42,911	41,165	39,646
France	23,768	23,971	19,331	14,006
Netherlands	2,949	2,914	2,794	4,463
Italy	20,982	21,531	17,982	17,442
Japan	17,315	14,886	14,607	20,114
Belgium	5,057	4,170	2,766	4,024

Source: IMF

Svenska Handelsbanken

US\$35,000,000 Floating Rate Notes due 1987

(Subordinated as to payment of principal and interest)

Notice is hereby given pursuant to the Terms and Conditions of the Notes that for the six months from 15 July 1980 to 15 January 1981 the Notes will carry interest at the rate of 10% per annum. On 15 January 1981 interest of US\$1.11 will be due per US\$1,000 Note.

NORDIC BANK LIMITED
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14 July 1980

ECGD insures from date of contract or despatch of goods. Cover is available for contracts in sterling or other approved currencies for: Continuous sales worldwide of raw and processed materials, consumer goods and production-line engineering goods. Sales to and by overseas subsidiaries of UK firms. Sales through UK commissioning houses and by UK merchants. Single large sales of capital equipment, ships and aircraft. Construction works contracts. Services. ECGD also makes available: Guarantees to banks providing export finance, often at favourable rates of interest, including project loans and lines of credit to overseas borrowers. Guarantees for performance bonds. Consortium contingency insurance. Cost escalation cover. Tender to contract cover. Cover for investments overseas. For full details call at your local ECGD Office.

To make an appointment or for information contact the Information Office, Export Credits Guarantee Department—quoting reference EITZ—at Glasgow, Belfast, Leeds, Manchester, Birmingham, Cambridge, Exeter, London West End, Croydon or Tottenham offices; or John Swales, Information Section, ECGD, Aldermanbury House, London EC2P 2EL. (Tel: 01-606 6599, Ext. 250).

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UK NEWS

Property accounting rules to change

By Michael Lafferty

NEW ACCOUNTING rules for property investment companies will require that property assets should be revalued annually. At the same time, property companies will continue to be exempted from the normal practice of having to depreciate these assets.

The rules will be set out in a supplement to the existing accounting standard, SSAP 12, which deals with depreciation of fixed assets in general. They could end a long-running dispute in both the accounting profession and the property industry over the most acceptable method of accounting for investment properties.

Different

Originally, the Accounting Standards Committee had planned to require that property companies would have to depreciate their buildings like all other businesses. However, under strong pressure from the business, SSAP was amended and property companies were excluded from its provisions when it was published in late 1977.

Many property companies had claimed that if they were required to depreciate buildings their reported profits would not be sufficient to cover the payment of dividends.

The new accounting method is based on the view that property investment companies are different from other businesses. So instead of showing their main assets at traditional historic costs and then depreciating them over their useful lives, property companies will now be allowed to revalue the properties every year.

Surpluses and deficiencies will normally be transferred directly to the balance sheet.

David Churchill on the employers' demand to end 'confusion' Call for talks on metrication

TOP LEVEL talks aimed at ending the present confusion about metrication were proposed yesterday by two leading employers' organisations.

The Confederation of British Industry and the Retail Consortium are seeking a joint meeting with Lord Trenchard, Industry Minister, to press for government help in completing the 13-year old metrication programme.

The two groups want statutory backing for the further metrication of foodstuffs and textiles.

At present, they point out, some foods such as meat, fish

and vegetables are still sold in imperial measures, while packaged goods such as sugar, tea and coffee are sold in metric measures.

Last autumn, Mrs. Sally Oppenheim, Minister for Consumer Affairs, made clear that the Government would not back any further compulsory metrication programmes, but would leave it up to manufacturers and retailers to switch voluntarily.

However, few manufacturers or retailers have appeared willing to change in metric measurements because of fears of giving an unfair advantage to

competitors who kept the more familiar imperial measures.

Mr. Bryan Rigby, the CBI's deputy director-general, said yesterday that the "whole problem of metrication is still a matter of serious concern."

He added that "having two systems in operation alongside each other is costly, wasteful, inefficient and unnecessary."

Mr. Richard Weir, the Retail Consortium's director, also pointed out that a timetable for completing the switch to metrication had been agreed in 1977.

But this timetable has not

been implemented because it depended on statutory backing by the Government.

The Government's lukewarm attitude towards metrication also led to the closure in April this year of the Metrication Board, after 11 years in operation.

Mr. Max Wood, the board's chairman, warned in his final report that "the remaining metric advances will be piecemeal and that our economy will continue overloading with the costly, inefficient and largely unnecessary millstone of dual working in metric and imperial measures."

Mr. Prior has always insisted that there should be no element of compulsion in the scheme being discussed in Whitehall, but on Friday Lord Gowrie, his Minister of State, said that unemployed workers who persistently refused to take part in voluntary schemes should face reduced unemployment benefit.

Mr. Prior said in a BBC radio interview yesterday that he and Lord Gowrie had been referring to different schemes. There would be no question of compulsion in the voluntary community schemes in which he had referred last week.

Lord Gowrie, however, had been referring to Government-backed schemes such as the youth opportunities programme where people were paid more than the unemployed benefit rate.

"If they were not prepared to volunteer then some form of compulsion could be used... but it is a rather different matter," Mr. Prior said.

● FARE SAVING: British Airways passengers buying low "pound-stretcher" Super-Apex tickets from a UK provincial city and Australia, via London, will get through-fares giving savings of up to £35.

Regional starting points will be Aberdeen, Belfast, Birmingham, Edinburgh, Glasgow, Inverness, Isle of Man, Jersey, Leeds, Liverpool, Manchester, Newcastle and Teesside.

● FARM LOANS: The Agricultural Mortgage Corporation has announced immediate cuts in interest rates for all new loans. New fixed rate loans will come down to 15.5 per cent from 16.5 per cent, while new variable rate loans will attract a rate of 19 per cent against 19.75 per cent.

● ULSTER MARCHES: Police and troops were out in force throughout Northern Ireland yesterday as tens of thousands of loyalists took part in marches to celebrate the 250th anniversary of the Battle of the Boyne.

● TAX PROPOSALS: The Government has been urged to give tax relief to investors in small companies to provide a much needed source of capital finance.

● TROPICAL INVADERS: Colonies of Ruge's ant and the Long-Legged Ant from warm countries are establishing themselves inside some commercial buildings and private houses, says Rentokil, the pest control company.

Slight fall in inflation rate likely

By David Marsh

GOVERNMENT FIGURES to be published on Friday are likely to show that the annual rate of retail price inflation moderated slightly last month from the 21.9 per cent recorded in May.

A further fall of three to four percentage points will have taken place this month because the effect of the last increase in Value Added Tax has been completely absorbed in the year-on-year comparison. This will take the annual rise in the July retail price index, to be published next month, well below 20 per cent.

The inflation rate has doubled in the last 12 months. The likelihood that the peak has now been reached, and indications of a severe recession, may cause the Government to make further cuts in interest rates in the next few months, according to most City analysts.

Laing and Cruickshank, brokers, in its latest monthly review, says that Minimum Lending Rate is likely to be cut from its present 16 per cent to 15 per cent next month.

Leasing restriction plan is eased

By David Freud

THE GOVERNMENT is easing the tough rules proposed for leasing contained in the Finance Bill. A series of amendments has been tabled for the Report Stage this week.

The April Bill contained measures to curb what were considered undesirable aspects of the rapidly expanding leasing industry.

Leasing allows companies with spare taxable capacity to pass on 100 per cent first-year capital allowances to others wanting to use capital items. The tax benefit is passed on through cheap rates.

The Bill restricts what can be leased at 100 per cent, as well as operators to the market. This prevents individuals becoming casual lessors, for example, and local authorities and foreign companies becoming lessees.

The amendments mean that owners of containers who lease them abroad will still be able to claim the 100 per cent capital allowance in a similar way to UK-based ship charterers.

The 100 per cent allowances

will still be available on television sets delivered up to May, 1982, compared with this June in the original legislation.

Further adjustments concern provisions for short-term leasing.

But the Government has not yet reacted to pressure over export leasing backed by the Export Credits Guarantee Department.

Several large companies are supporting a campaign by the Carolia Bank to push through a concession, allowing this recent development in export financing to continue.

The bank says up to £40m of export business has been conducted in this way so far. The minimum interest rate included in supplier credit is 7½ per cent per annum, but charges bring this up to 10 per cent. At this level, an exporter can become uncompetitive.

If the typical supplier credit is structured as a lease, it says, the interest rate included in credit terms for overseas customers can be brought down to 7½ per cent.

Granada appeals to Lords

By Raymond Hughes, Law Courts Correspondent

GRANADA TELEVISION'S final plea to be allowed to keep secret the identity of the British Steel Corporation "mole" who leaked confidential documents of the corporation begins in the House of Lords today.

The Law Lords have set aside four days for the hearing. They will then almost certainly reserve their judgment. That will mean that their decision is not likely to be known until October, as the courts' two-month summer vacation begins at the end of this month.

Granada will seek to overturn a High Court ruling, upheld unanimously by three Appeal Court judges, that it must name the BSC employee who passed on the documents, which formed the basis of a World in Action programme in February.

The Appeal Court said that Granada had behaved so irresponsibly that it had forfeited the normal right of the media to protect the sources of their information.

Gas shares 'should be given away'

By Martin Dickson, Energy Correspondent

SHARES in the British Gas Corporation should be distributed free to all UK adults as the most effective way of improving the organisation's public accountability, says a Bow Group paper published today.

It also recommends that the corporation be stripped of all its monopoly powers, including that of buying gas from UK waters and distributing it around the country. The authors of the pamphlet are Mr. Tim Eggar and Mr. John Cadbury, together with David Shaw, a chartered accountant.

They note that British Gas has the image of a profitable and successful enterprise, but argue that its profit record is "not based on its efficiency or competitive ability, but rather on privileged and monopolistic access to cheap North Sea gas."

Each adult member of the public should be given free share capital in the corporation worth about £20 and should have the right to subscribe for additional equity, says the paper. Institutional and other investors could also be involved

by offering for sale a limited part of the remaining Government-owned equity.

It is claimed that this would introduce a large number of people to share ownership and the concept of income depending on profits; it would also be politically impossible to nationalise British Gas.

The report adds that the corporation's present oil interests should be sold off and the right to purchase gas from UK waters should be open to any buyer, including gas transmission companies and industrial users of gas.

British Gas's distribution monopoly should be broken, resulting in the formation of new joint-venture pipeline companies, while the corporation's showrooms should all be sold off to private enterprise.

The paper's proposals go beyond the policies of the Government, which is largely considering selling off some of the corporation's oil interests and allowing private industry direct access to North Sea gas.

New tier 'would improve local government'

By Robin Pauley

A NEW TIER of local government is proposed today as one answer to the crisis in relations between central and local government.

The Outer Circle Policy Unit, an independent policy studies body financed by the Joseph Rowntree Social Service Trust, says in a report that proposals in the Local Government Planning and Land Bill—particularly that for new block grant system of rate support—threaten to reduce local authorities in administrative outposts of central departments.

A solution to preserve their "government" function would be to elect 13 directly elected large regional authorities.

They would cover primary and secondary education;

health, local government, economic planning, housing, roads and transport, water and sewerage services and police.

Such authorities would have to establish local government units with executive powers in a variety of functions, better taken at sub-regional level. The lower tier, would comprise ideally units based on a population of about 200,000.

Regional authorities would have substantial financial independence from Whitehall and Westminster, financed by assigned revenues based on the total yield of personal income tax and Value Added Tax.

Local Government: Death or Devolution? Outer Circle Policy Unit, Cambridge. Ref: RPS/80/1. Price £2.50, plus 31p postage.

Curbs on land hoarding

By Andrew Taylor

FURTHER DETAILS of Government plans to prevent land hoarding by local authorities were announced at the weekend by Mr. John Stanley, Housing Minister.

The proposals are contained in a consultation paper outlining changes in the system by which the Government subsidises local authority capital expenditure on council housing.

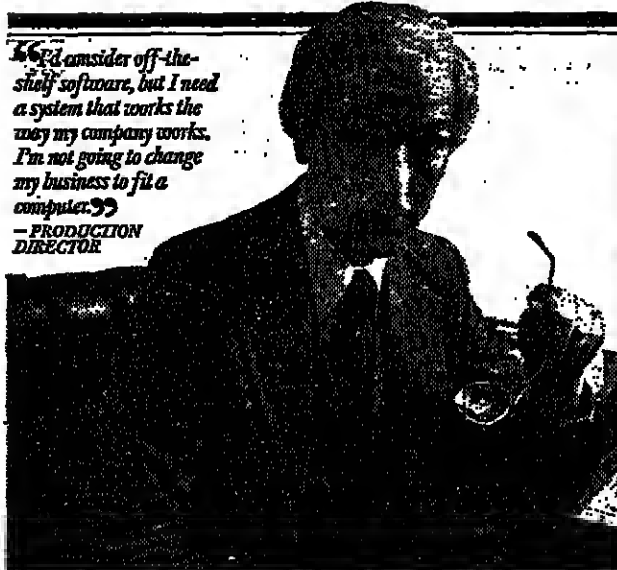
Under the new measures the Government will cease paying subsidies on housing land bought by local authorities if development work has not started within three years. Subsidy payments would only resume when the housing development was completed.

In major projects, where building work has been staged over a number of years, subsidy payments would only stop after three years on the remaining, undeveloped, part of the site.

The Government is also proposing to introduce measures to allow it to recoup subsidy payments made in earlier years where housing land has been sold or developed for other purposes. This would include house building directly for sale.

These measures, if implemented, will not come into force until the Housing Bill becomes law, and will not be retrospective.

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HEWLETT PACKARD

Obituary: Lord Armstrong of Sanderstead A passion for rationality

THE SUDDEN death of Lord Armstrong of Sanderstead marks the end of an era. For nearly two decades he had been at the centre of public affairs where his personal impact was a great deal stronger than that of many politicians who fill the headlines.

He was involved in all of the economic issues of the 1960s and in the implementation of the Fulton Report on the Civil Service.

As Edward Heath's adviser in the last two years of his Government he was christened by Vic Feather, "the Deputy Prime Minister."

He became Lord Armstrong of Sanderstead in 1975 and in the same year, chairman of the Midland Bank and he was no mere distinguished figurehead at the bank. He was equally interested in visiting branches and in budgetary policy. He was in charge of the clearing banks' campaign against nationalisation.

He insisted on the rational examination of hitherto unmentionable topics, whether devaluation or the payment of interest on current accounts. One of his recent public utterances was a lecture on "the City in the year 2000." Temperamentally an introvert, Armstrong never sought controversy, but was neither surprised nor offended when it occurred.

Although he became associated with policies in a way unusual for civil servants he was no "Yes Minister" type. He believed strongly in the duty of the Civil Service to serve the Government of the day.

His policy involvement came from a desire to fill logical gaps which he saw around him within the machinery of Government, the tools of economic policy or in the structure of banking.

William Armstrong was born in 1915. After going to Exeter College, Oxford, he joined the Civil Service in 1938.

By 1943, he was private secretary to the Secretary of the War Cabinet and in 1949-53 he was principle secretary to Cripps, Gaitskill and Butler in success-



sion—and he acquired a fund of stories about his political masters.

As Third Secretary in charge of Home Finance, he submitted a plan for the reorganisation of the Treasury, which was chosen in an internal competition.

This, together with the desire of Harold Macmillan to see a new broom in office, helps to explain his appointment as Treasury Permanent Secretary, under Maundling, at the age of 47.

If Carnaby Street represented the decorative side of the 1960s, Armstrong exemplified the serious side. He was probably the first Permanent Secretary to understand the analytical framework of economic policy discussion.

Although he accepted the demand management philosophy of his time he was tireless and courageous in trying to plug policy inconsistencies.

He was responsible for the Armstrong Report presented to the new Labour Government in 1964 which contained the plan for a Temporary Import Charge. But he saw that it could not be a permanent answer and, despite Wilson's ban on all mention of devaluation, he insisted on some quiet, com-

ingency planning. The decision to apply for membership of the EEC converted Armstrong to the view that devaluation was unavoidable. He maintained a healthy scepticism about the EEC to the end and more recently parted company from his fellow bank chairmen in his opposition to the UK joining the European Monetary System.

In 1968, he became first head of the new Civil Service Department.

Characteristically, Armstrong was an enthusiast for the CPRS (Think Tank) established in the Heath era. One wonders how far history would have been different if he had agreed to become head of the Think Tank or of the Department of Economic Affairs in 1969.

However, he developed subsequent misgivings over his close identification with the Conservative Party and he stepped up to the 1974 miners' strike.

Lord Armstrong leaves behind him an important footnote in the shape of a report on budgetary reform due to be published on July 22 by the Institute of Fiscal Studies.

His conduct of this last "Think Tank" Committee, a subtle, gentle but firm at first, seemed to let it go its own way. Early in his year, when he saw that the time was ripe for a report, he became very active, arranging a weekend meeting, going through unresolved issues, making sure that he could accept the ideas of the technicians and also trying to extend their horizons.

William Armstrong had a passionate human and not a predictable side. People who worked for him, most of whom are now very prominent, name him as devoted.

He once said that he would not start again at 40 as assistant principal to see how things really worked from the bottom upwards.

He was fond of quoting Leonardo da Vinci. "He who controls the weather controls the world." How far the weather would really be controlled was a problem he knew he had left unsolved. S.F.

Grain craft unions may ignore TUC

BY JOHN LLOYD, LABOUR CORRESPONDENT

CRAFT UNIONS involved in the inter-union dispute at the Isle of Grain power station construction site appeared over the weekend to be ready to defy the recommendations of a TUC committee to withdraw their members from insulation work on the site to allow members of the General and Municipal Workers' Union to regain their jobs.

Last week, the threat of suspension from the TUC was raised over the heads of the Amalgamated Union of Engineering Workers (construction and engineering sections) and the Electrical and Plumbing Trades' Union, representing around 1,600 members in total, if they ignored the proposals by a sub-committee of the TUC's Finance and General Purposes sub-committee aimed at ending the dispute.

However, Mr. Eric Hammond, an EPU executive member who has been responsible for the Grain issue, said yesterday: "The GMWU wants us to do their fighting. There's no way we'll do that. We went into this thing to keep the station going and the men in work, and we will do nothing to jeopardise that."

The ETPU will hold a special executive meeting today to discuss the issue. Like other unions on the site, it has until Friday to respond to the TUC proposals which would remove the 60 replacement insulation engineers or ladders from the site and allow the 27 GMWU ladders to return to their jobs.

It is unlikely that Mr. John Baldwin, the general secretary of the AUEW's construction section, will take a different line from the ETPU.

Mr. Baldwin, who was unavailable yesterday, is understood to have expressed concern to other unions over the fate of the 60 replacement ladders if the TUC proposals are followed.

The CEGB has also made it clear that if lagging work is interrupted once more it will close the station, and that it will not accede to previous TUC demands to allow the ladders to return to work before they have agreed to work under bonus rates common to other craft workers on Grain.

Further, the craft unions do not believe that the TUC would carry out its threat to suspend them, even if they flout its advice.

The room for compromise appears limited, the more since both the TUC and the senior union leaders who have attempted to find a settlement over the past few weeks believe that the GMWU has conceded as much as it can, and that it is now up to the Central Electricity Generating Board and the craft unions to move.

Jenkins puts jobless figures at 2.4m

BY OUR LABOUR STAFF

MR. CLIVE JENKINS, general secretary of the Association of Scientific, Technical and Managerial Staffs, has said the real total of unemployed could be as high as 2.4m. This compares with an official total of 1.6m.

The estimate is based on figures in the current edition of the union's quarterly economic review. It assumes that as many as 50 per cent of the unemployed do not register as such, making the "real" total higher by 800,000.

Predictions in the review include:

- A fall in gross domestic product growth to -2.5 per cent from June 1980-June 1981.
- A 2 per cent fall in consumer expenditure in 1980.
- A fall in output of 4 to 4.5 per cent in 1980.
- A fall in the investment rate by 8 to 12 per cent in the year 1980-81.

The only brighter note was that the inflation rate would drop to between 15 and 16 per cent by June 1981. This is a rather slower fall than assumed by many recent reports.

At the weekend, Mr. Jenkins renewed his call for the TUC to organise the unemployed, and to create a "social wage forum" for all those not in work, such as the unemployed and pensioners.

The idea is being studied by TUC leaders, although some are sceptical about it because of its implied acceptance of high unemployment levels.

Too-high public sector pay deals 'damaging'

BY JAMES McDONALD

PRESIDENT of the Association of British Chambers of Commerce, Sir Monty Finniston, has told Sir Geoffrey Howe, Chancellor of the Exchequer, that the Government must take a firm grip on the total public sector wages bill.

In a letter to the Chancellor he says that private sector companies throughout the UK are negotiating realistic wage settlements—most of them at rates consistent with the bottom end of the Government's own target for monetary expansion of 7 to 11 per cent.

"It has, therefore, been particularly galling for industry to read that, having urged such settlements on the community at large the Bank of England has offered 17 per cent, that is 6 per cent above the top end of the range."

If the public sector pay bill continued to rise, "it will inflict immense damage upon the industrial and commercial fabric of the UK."

Sir Monty also criticises attempts to present increases in nationalised industry prices as cuts in public spending, when the increase in fact is financing more public sector pay.

"It is the experience of firms that increases in nationalised industry prices are themselves the occasion of increased wage demands. Such increases also add to industry and commerce's own costs and are a material factor in price inflation."

Parliamentary business

TODAY
COMMONS—Debate on Opposition motion on the persistent rise in unemployment.
LORDS—Finance Bill, third reading.
SELECT COMMITTEES—Energy. Subject: Government statement on the new nuclear power programme. Witnesses: Electricity supply industry; employees' national committee. (Room 8, 10.45 am). Transport. Subject: The Channel Link. Witness: Greater London Council. (Room 17, 4.15 pm). Treasury and Civil Service. Subject: Monetary Policy. Witnesses: Treasury officials. (Room 15, 4.30 pm). Public Accounts. Subject: Green paper on the role of the Comptroller and Auditor-General. Witness: Mr. E. Jefferson, Exchequer and Audit Department, staff room. (Room 16, 4.45 pm).
TOMORROW
COMMONS—Completion of the remaining stages of the Local Government, Planning and Land (No. 2) Bill.
LORDS—Tenants' Rights (Scotland) Bill, committee stage. Motions to approve Representation of the People (Amendment) Regulations 1980; Elections (Welsh Forms) Regulations 1980; Representation of the People (Scotland) Amendment Regulations 1980; Representation of the People (NI) Amendment Regulations 1980.
WEDNESDAY
COMMONS—Finance Bill, report stage. Motion on Summer Time Order.
LORDS—Social Security (No. 2) Bill, third reading. Tenants' Rights (Scotland) Bill, committee stage. Motion to Approve Summer Time Order 1980.
SELECT COMMITTEES—Industry and Trade. Subject: Import and export trade. Witnesses: The Retail Consortium. (Room 16, 10.45 am). Transport. Subject: Roads White Paper. Witnesses: The Association of County Councils; Association of Metropolitan Authorities. (Room 17, 11 am). Public Accounts. Subject: Cash limits provisional out-turn. Witnesses: Sir Anthony Rawlinson, Second Permanent Secretary, Treasury. (Room 16, 4.15 pm). Transport. Subject: The Channel Link. Witnesses: Department of Transport. (Room 17, 4.15 pm).
THURSDAY
COMMONS—Finance Bill, completion of report stage and third reading.
LORDS—Health Services Bill, committee stage. Deer Bill, second reading.
SELECT COMMITTEE—Home Affairs, Sub-Committee on Race Relations and Immigration. Subject: Racial disadvantage. Witnesses: Commission for Racial Equality. (Room 15, 4.30 pm).
FRIDAY
COMMONS—Motion on the Appropriation (No. 2) (Northern Ireland) Order. **SELECT COMMITTEE**—Defence. Subject: D-Notice system. Witnesses: Mr. Chapman Pincher; Mr. Jonathan Aiken, MP; The Guardian.

Christian Tyler reviews the miners' conference Fulcrum for a power struggle

LAST WEEK'S miners' conference has provided the fulcrum on which a balance-of-power struggle between the Labour movement and the Government will turn this autumn and winter.

It was the last major union policy-making assembly before the TUC's annual stocktaking. There, more than 1,000 delegates will decide how far and fast trade union pressure can push the Government off course.

The National Union of Mineworkers, spurred on by its increasingly self-confident Left wing, has put itself at the forefront of extra-parliamentary opposition with a series of policy decisions—on wages, job protection, the new labour laws—which each contain the threat of industrial action.

But the Government appears to be drawing breath. Its controversial Employment Bill becomes law at the end of the month, having survived repeated attacks from its backbenchers that the measures are too feeble to "control" the unions.

Having cleared the books of their main manifesto obligation in industrial relations, Employment Ministers are visibly seeking to assuage trade union opinion ahead of a potentially troublesome winter.

Mr. James Prior's "leaked" self-help plans for the growing army of young unemployed are

only one manifestation of Ministerial concern.

In the background, he and his colleagues are beginning to draft a Green Paper, promised for November. This is ostensibly a further examination of trade union immunities under the law, but will probably turn out to be a far wider study of the union-employer power balance.

The central task they have set themselves is to draw up an alternative and non-controversial charter of union freedoms expressed in terms of rights rather than negative immunities.

From this central core may be hung a variety of proposals—on shopfloor halliing, for example—designed to channel rather than roll back trade

union power and offering, perhaps, a measure of negative control over management decisions that most intimately affect the workforce.

As the summer holiday and Parliamentary recess approach, the ball is back in the unions' court. Strong unions, such as the miners and printers, are looking for the same kind of concerted TUC campaign as that which helped make unworkable the last Conservative Government's Industrial Relations Act.

Essentially, they want a commitment from the TUC that the first prosecution of a trade union member—whether an unlawful picket or a sympathetic striker—would draw the full wrath of the trade union

movement, acting collectively in defiance of the courts.

The hard line set by the miners, whose resolution on the Employment Bill will be on the TUC agenda, could be tempered by a coalition of moderate industrial and white-collar unions.

Some of these—in the motor industry, for example—are seeing their influence weakened by the shake out of labour and a new determination by employers to pay wage increases not a penny larger than their competitive position permits.

The miners' 36 per cent wage demand will be lodged probably in September and is due for settlement by January 1.

The National Coal Board is already protesting that it is being squeezed more than usual this year by tighter Government financial controls, weak home demand for its products and the hammer of a strong pound for overseas sales.

Miners, as many other trade unionists, will be faced with a choice. They can translate into action the fighting talk of those of their leaders who believe another political crisis is both inevitable and necessary in the unions' longer-term interests.

Or they can postpone the contest and content themselves with the passive and painless protest which the TUC has made its speciality in past years.

Murray suggests link with CBI

BY JOHN LLOYD, LABOUR CORRESPONDENT

MR. LEN MURRAY, general secretary of the TUC, yesterday voiced optimism over the future of talks between the TUC and the CBI, and pessimism over future relations with the Government while it continued to press its present strategy on employment.

On the Granada TV programme Union Power, he suggested that the TUC and the CBI could present a joint front to the Government on a number of industrial issues in the near future.

He said that talks between the two organisations on a new technology agreement, to act as a guide for negotiators on both sides, were going well.

"I think we are quite near getting agreed guidance which the TUC can put to its unions and the CBI can put to its members."

There was "an area of debate at least on what action needs to be taken to resist the flood of imports which has been coming in over the past 20 years and which is undermining the very existence of some of our industries."

In spite of the disagreements on some issues, he said that "we could find areas where both of us could agree to go to the Government and say: 'Look, this is what we both think needs doing in the interests of British industry.'"

Part of the aim in undertaking the series of talks with the CBI had been to find issues on which both organisations agreed that Government policy should be changed or adapted. So far, the CBI had been careful to resist this line.

TUC offer

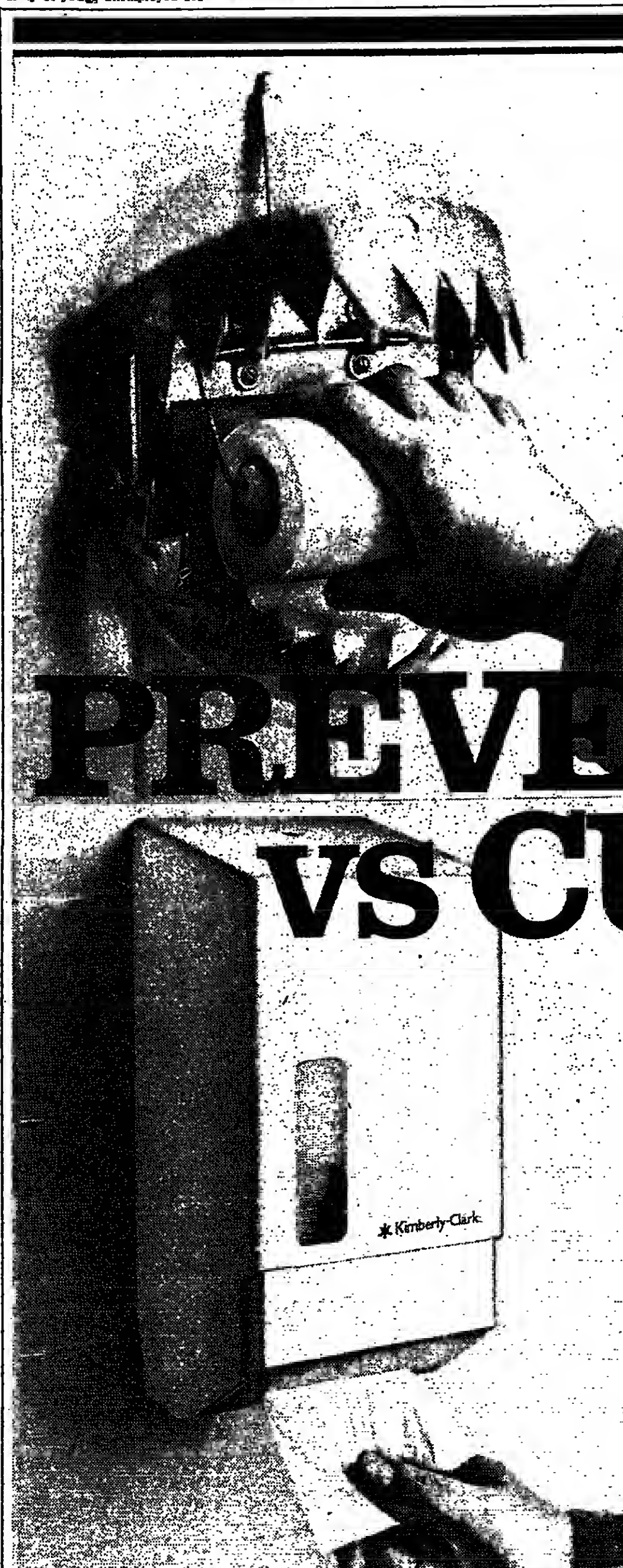
Mr. Murray also re-stated the TUC's offer to the Government to talk on a comprehensive range of issues if the Employment Bill were dropped.

He also appeared to accept that there would be areas of possible negotiation when the Bill became law.

"The idea of doing things together—that's what we want to get back to. I know we have got to get back there some time with somebody, but it will be very, very difficult."

Mr. Murray said that the TUC had been prepared to discuss a wide range of issues with Mr. Edward Heath, the former Conservative Prime Minister, even after the passage of the Industrial Relations Act, which the unions opposed.

However, the unions were getting signals from the Heath Government that meaningful negotiations could be entered into, whereas there had been no such signals from the present one.



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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHDETERS

PROCESSING

Solving waste water problems

TRANSPORTABLE reverse osmosis and ultrafiltration equipment has been bought by Ecological Engineering from Osmonics Inc. for the evaluation of process liquor and waste water problems either at a potential customer's site or in Ecological's laboratories at Marlesfield.

Ecological Engineering has a licence from Osmonics for the sale of reverse osmosis and ultrafiltration systems. The new unit is a compact horizontal system, known as a "Lowboy," with a capacity of 500 gallons an hour in the ultrafiltration mode.

Applications include recovery of silver from photographic rinse waters and re-use of the water, recovery and concentration of sugars, milk solids, etc. in food processing, purification of sewage and rinse waters, and separation of oil and paint wastes in finishing, engineering and other industries.

Ecological's unit is believed to be the only one of its kind available in Europe for evaluation purposes and already it has been taken to a West German company for a waste water treatment feasibility study.

Ecological Engineering designs and supplies complete systems for waste water treatment and the concentration and recovery of useful constituents of process streams.

An advantage of an Ecological system is that the control of solids in the input flow is not so critical as in other systems, because the membrane can be cleaned easily by flushing or chemical methods. The membrane tolerates chlorine, allowing chlorinated water to be used for the prevention of biological fouling.

Ecological Engineering, Hulley Road, Macclesfield, Cheshire, England, SK10 2NB, telephone Macclesfield (0925) 26335.

Bearing fitting speeded

OPERABLE FROM any 13 amp mains socket is an induction heating unit for bearings and sleeves allowing their fitting diameter to be expanded to give a slide fit with interference fit on cooling.

By doing away with oil baths, fitting becomes simple and clean and energy is expended on heating only the bearing. The method is also fast—heat-up time is only a few seconds.

and the bearing is easily dispensed by the unit.

Items up to 11 inches in diameter and two inches wide can be accommodated by the machine which is called Induction-King. The price is under £250.

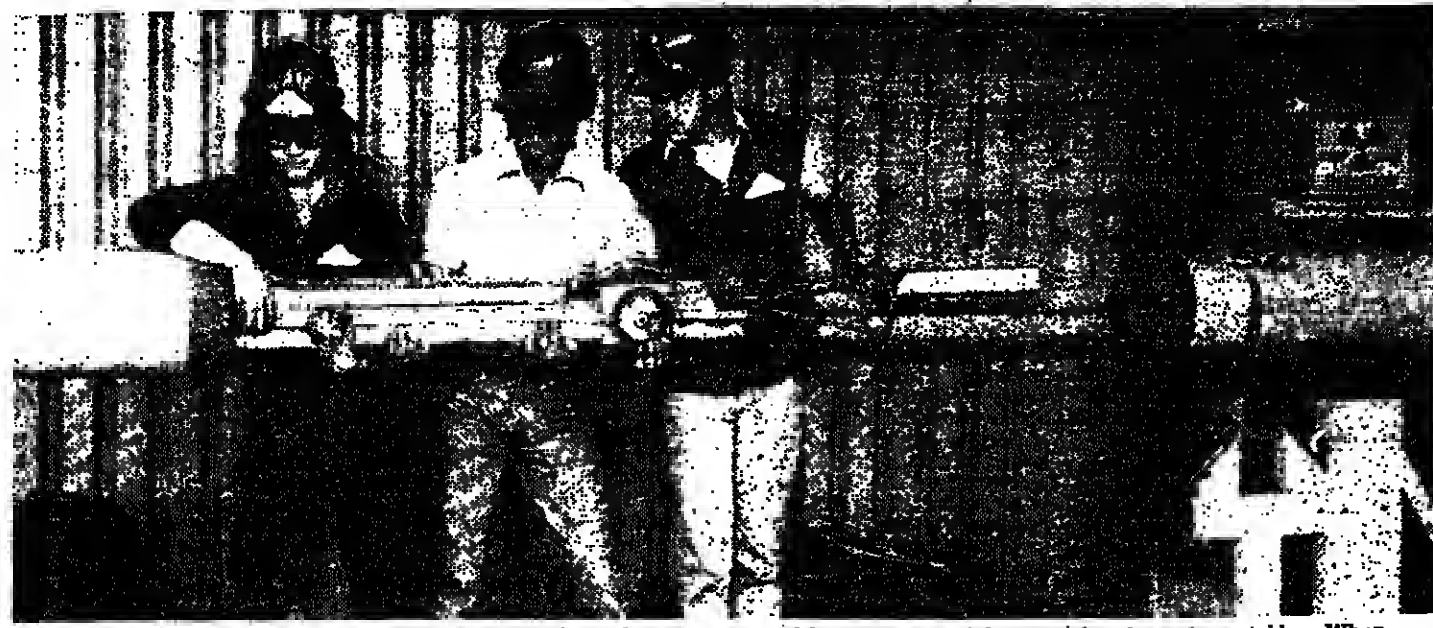
More from Wessex Power Technology, 540 Ashley Road, Parkstone, Poole, Dorset (0202) 733855.

Less energy needed

MANUFACTURERS of powder coatings are being offered a saturated acidic polyester resin claimed to enable significant savings in the energy required to achieve cures. This new resin, Uralac P 2950, is available from Synthetic Resins, Edwards Lane of Speke, Liverpool, a member of the Uralchem group.

The company says that Uralac P 2950, which, in combination

with epoxy resin, is recommended for the production of low temperature curing electrostatic spray powders, gives a 10 per cent reduction in curing schedules compared with existing products. Savings can be achieved either by shorter bakes at higher temperatures or standard periods at lower temperatures.



Seen here emerging from a 1,080 ft length of 9.25 inch internal diameter gas pipeline is a new X-ray Sub-Mini-Crawler developed by Oilfield Inspection Services to examine the welds, made at 40 ft intervals, to join up manufactured lengths. It is claimed to be the first X-ray crawler in the world to have "broken the 10 inch barrier." Previously, the only X-ray technique available for such small pipe was to take six external radiographs of each butt, a labour-intensive and time-consuming task. In the new system the crawler moves along inside the pipe from the previous weld and is

positioned by a radiolite placed on the outside. When the panoramic X-ray tube in the crawler is accurately positioned, the operator places a film, marked with the butt number, round the pipe and this is exposed for 12 seconds by the X-rays emitted through the steel pipe and weld. The film is developed immediately, allowing production to continue if the weld is good. After grit-blasting and epoxy-coating the lengths are joined and loaded on to a giant spool on the pipe-laying ship. The pipe is being made by Santa Fe at its Lethbridge base for Chevron Petroleum (UK).

ELECTRONICS

Meeting market demands

PERCEIVING THE need to tap a diffuse but quickly growing market for microprocessors and other modern electronic components in industry, Texas Instruments has franchised the UK's biggest electrical distributor, Newey and Eyre, part of the Thomas Tilling Group.

Newey and Eyre Group has a turnover of £300m and has been in the electrical distribution business for 50 years; one of its newest subsidiaries, BA Electronics, will handle the Texas product range. It expects to bring some 360 salesmen to bear, able to make 50,000 calls/month; but to back them up a specialist microsystems department has been established to which microelectronics inquiries can be referred.

For microprocessor applications BA Electronics expects to be able to offer a certain amount of software assistance but will if necessary refer customers to selected regional software houses. It will also be able to call on a software group at the Texas Bedford location that already has some 200 microcomputer projects under its belt.

Apart from this the semiconductor company points out that more and more of its products will in future contain software elements in hardware.

the user being called upon only to write supervisory programs. BA Electronics says it will carry in-depth stock to a value of £200,000 and has added a mezzanine floor at its Bristol premises to accommodate it. Undoubtedly however, the 40,000 strong existing industrial customer base of Newey and Eyre will be the most telling aspect of the new deal, giving Texas Instruments access to a market for its micro products which has, in the distribution sense, been barely covered.

BA Electronics is at Millbrook Road, Yate, Bristol BS17 3NX (0454 315824).

INSTRUMENTS

Hydraulics tested on site

HYDRAULIC SERVICE engineers can avoid guesswork, downtime and unnecessary replacement of parts with the use of an instrument (available as a complete test kit) from Webster Instruments, Edison Road, Industrial Estate, St. Ives, Cambridge.

Tester is called Hydratest and can be used for in-line testing of hydraulic systems—diagnosing faults, setting pressures and flows, and for checking the performance of individual components. Flow rate, fluid temperature and shaft or motor speed can all be measured, and any one of these read off simultaneously with pressure.

Two models are available: 0.4 to 10 gpm (1.5 to 50 LPM); and 0.8 to 25 gpm (3 to 125 LPM). Each has low and high flow readout scales, selected by switch.

As the instrument is designed on a modular basis, the customer can satisfy his requirements without necessarily buying the whole kit at once—basic tester could subsequently be added to a loading valve, a special low pressure gauge (with optional automatic cut-off), and plug-in mechanical tachometers; a photo-tachometer kit is available as an option.

More from Remington House, 65, Holborn Viaduct, London EC1P 1AB. 01-236 1010.

MAINTENANCE

Push-button tyre checks

FIRST DESCRIBED on this page last October, the push-button tyre pressure checking unit for garages made by Forecourt Automation in Cornwall has now been christened Tirite and is to be marketed exclusively in Europe and the Middle East by B. E. Sellers (Sales) of Milton Keynes.

(On the forecourt the user will simply connect the hose to his tyre, punch in the required pressure on a tens and units keypad (two button depressions only) and then wait for an audible signal telling him that the selected pressure has been

reached. The chosen pressure is also shown on a digital display and if the motorist makes a mistake he can easily start again.

The normal version will supply from 10 to 40 lb/sq inch—a high pressure version for commercial vehicles will be introduced later. Mounting can be on a pedestal or wall, and coin or token operation can be built in enabling, for example, free use to be offered to petrol-buying customers.

More from the company at 2, Church End, Hanslope, Milton Keynes, MK19 7LP (0908) 510373.

SECURITY

Foils cash snatcher

A TOUGH, durable, transparent plastic guard which fits over the drawer of a till, thwarting would-be thieves intent on a money snatch, says Securivision, Scholes Lane, Prestwich, Manchester.

Thieves rely on speed and surprise (especially when the cashier or check-out girl has turned her back for a moment) but the Tisgard serves as a deterrent and useful protection at the cash desk.

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920 mm x 2 mm x 2 Ton Coil
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Vertical Drawblock (2) variable speed (610 mm dia x 25 hp DC)
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LEGAL NOTICES

IN THE MATTER OF THE COMPANIES ACT 1948
AND IN THE MATTER OF STAFFORD WINFIELD COOK & PARTNERS LTD.
(In Voluntary Liquidation)

NOTICE IS HEREBY GIVEN pursuant to Section 298 of the Companies Act 1948 that a General Meeting of the Members of the above-named Company will be held at 1 Wardrobe Place, Cornhill, London EC4N 3AL, on Tuesday, 22nd July 1980 at 10.15 a.m. to be followed at 10.30 a.m. by a General Meeting of the Creditors for the purpose of receiving the report of the Liquidator on the Accounts and of the conduct of the Winding-up to date.

Dated this 27th day of June 1980.
M. J. SPENCER, B. MILLS,
Joint Liquidators.

PREVENTION OF FRAUD (INVESTMENT) ACT 1968
NOTICE IS HEREBY GIVEN that LIMITED has relinquished the Principal's licence issued pursuant to Section 2 of the Act having transferred its business to LONSTALE CHETWYN HOLDINGS LIMITED.

Portfolio Administration Limited has made application to the Department of Trade pursuant to Regulation 5 of the Prevention of Fraud (Investments) Order, 1947 (S.R. & O. 1947 No. 541) for the release of the 3% War Loan stock deposited in pursuance of Section 4 of the Act. Any persons having a claim on the funds representing the deposit should send their names and addresses and details of their claim to the Assistant Secretary, Companies Division, Department of Trade, Sanctuary Buildings, Great Smith Street, London S.W.1, not later than the 28th July 1980.

COMPUTERS

Production kept under control

ON-LINE manufacturing management system called Maoman, for use with the V77-600 and V77-800 minicomputers from Sperry Univac, will be sold only via software and system houses.

As well as reinforcing the company commitment to manufacturing industry, Maoman will enable Sperry Univac to develop the marketing of minicomputer systems through third party organisations.

Seven data base-oriented modules are for inventory control, purchasing, work-in-process control, bill of materials processing, material requirements planning, capacity planning and scheduling, and cost accounting.

The inventory control module provides current stock information, accepts receipts and issues all stock items including raw materials, components, assemblies, finished goods, and spare parts.

Vendor information, purchase orders and receiving information are monitored by the purchasing module. The purchasing module also provides reports on vendor histories, purchase order variances and overdue purchase orders.

The work-in-process control module maintains information on each work order and the workload at each work centre. Exception reports, such as overdue work orders and shortages against the orders are also produced.

The structures of all products and sub-assemblies are recorded and updated by the bill of materials processing module. The module also keeps track of effectivity dates, quantities, and reference information for components.

The material requirements planning module interprets manufacturers' input to a master schedule. It recommends both purchase and work orders after determining gross requirements for end items.

The capacity planning and scheduling module maintains data about work centres, tooling and routings. It also establishes links between these items and the parts they produce for optimum scheduling of all work centres.

Cost accounting, the seventh module, interfaces with the others to control the costs for materials, machines and manpower. It provides inventory value listings, work-in-process cost evaluation, materials variance reports and labour variance reports.

More from Remington House, 65, Holborn Viaduct, London EC1P 1AB. 01-236 1010.

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IN THE OFFICE

Holds paper together

FASTENING DEVICES called paper studs (but are made of plastic) designed to maintain neat presentation of accounts, reports, documents, etc. have been introduced by Chalfont Plastics, 28e, Packhouse Road, Gerrards Cross, Bucks (Gerrards Cross 87980).

Looking like "dressmaker's press-studs," units consist of a tubular stud and a washer both precision-moulded from high-density polyethylene. Stud is placed through a standard 5mm hole-punched in the margin of a document, and the washer is simply attached by the pressure of a thumb.

Device only slightly increases the total thickness of papers, can be used over and over again, and is made up in different sizes.

METALWORKING

New welding technique

OCCIDENTAL CONSORTIUM's Pipex platform is the first structure to benefit from a new welding technique for special metals developed by Aberdeen-based contractor Wagley Offshore.

The new technique, first of its kind to receive Lloyd's approval, has been developed for aluminium, bronze and stainless steel welds, and is claimed to be specially suitable for areas where special metals are used in high corrosion risk areas. Wagley has used it on low-pressure sea water pipework on the Pipex platform.

The new technique is based on inert gas (TIG) welding systems and was developed as part of Wagley Offshore's recent research programme into new welding techniques for exotic metals such as Kunifer 10, Monel and stainless steel. Using an arc to melt the metal and a high purity argon gas screen to prevent rapid oxidation, the weld is made by inserting suitable alloy in the form of filler wire—either manually or mechanically.

For further information Wagley Offshore, 144 John Street, Aberdeen (0224 638822).

CONTRACTS AND TENDERS

PERUSAHAAN UMUM LISTRIK NEGARA

AGENCY OF THE MINISTRY OF MINES AND ENERGY OF THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

INVITATION TO BID

Tenders for the Structural Steelwork and Cladding for the new 2 x 400 MW Surabaya Steam Power Plant near the town of Merak in West Java will be received on or before 10.00 hours on 27 October 1980 for public opening at the Head Office of Perusahaan Umum Listrik Negara, Jalan Trunojoyo Blok M/135, Kebayoran Baru, Jakarta, Indonesia. The Structural Steelwork and Cladding Contract comprises the design of connections, fabrication, supply, erection and painting of approximately 7,000 tonnes of structural steelwork together with the supply and installation of approximately 65,000 square metres of roof and wall cladding complete with rainwater gutters and downpipes, louvers, windows and doors.

Beginning 1 August 1980 the Tender Documents may be examined and upon payment of the non-refundable amount of US\$300 can be obtained at the following address:

PERUSAHAAN UMUM LISTRIK NEGARA
DIRECTORATE OF PLANNING
JALAN TRUNJOYOYOK BLOK M/135
KEBAYORAN BARU, JAKARTA, INDONESIA

To qualify for award, tenderers must demonstrate that they have successfully executed two similar contracts each of equal or greater scope, time scale and tonnage to that specified during the preceding ten years.

Tenders will be received from qualified suppliers or their authorised representatives. The foreign currency portion of the works shall be financed under a buyer credit agreement and every tenderer shall be supported by a related offer of finance.

The Rupiah portion of the works will be financed from the state budget of the Government of the Republic of Indonesia. Perusahaan Umum Listrik Negara reserves the right to reject any or all tenders and to waive minor irregularities and informalities.

PERUSAHAAN UMUM LISTRIK NEGARA
JAKARTA
14 July 1980

COMPANY NOTICES

C. TITON & CO. LIMITED

DEPOSITARY RECEIPTS TO BEARER
HAMBURG BANK LIMITED
(One Depositary Share Unit comprising 10 Deposited Shares of 50 Marks each) of the above Company at 34, rue de la Loi, Brussels, Belgium, is hereby notified that Coupon No. 32 representing the dividend due on the underlying shares for the half year ended 31st March 1980 may be presented for payment at the usual place of deposit.

34, rue de la Loi, Brussels, Belgium, is hereby notified that Coupon No. 32 representing the dividend due on the underlying shares for the half year ended 31st March 1980 may be presented for payment at the usual place of deposit.

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Send this coupon (in block capitals) to Rover Information Service, PO Box 4, Oxford, OX4 2PP for a brochure.

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THE MANAGEMENT PAGE

A plea to isolate social costs

Sweden is reviewing the implications of the State owning both profitable and unprofitable companies. William Dullforce reports

STATE COMPANIES should be run to make profits, not to solve social and political problems. If government chooses to use a State holding company to tackle unemployment, regional or industrial restructuring problems, then each such project should carry a price tag which the State must meet.

These views were voiced by Per Sköld, managing director of Statsföretag, at the Swedish State holding company's 10th annual meeting. It was time, he told his masters, to establish the rules under which companies should be managed.

Sköld wants a clear distinction to be made between those companies in his group which can be run on a strictly commercial basis and the others, on which government and the Riksdag (Parliament) impose political obligations. Statsföretag can manage the latter, he suggests, under a "tender" system, whereby there is a price put on the cost of unprofitable activity.

Lobbying

Moreover, once government and the Riksdag have accepted a price tag for a particular project, Statsföretag should be left to get on with the job. Political interference or lobbying should stop after the terms of the contract have been agreed.

To underline his argument Sköld published in Statsföretag's 1979 annual report a "supplementary" profit and loss account, dividing the 30-odd companies run by the holding company into those operating under normal commercial conditions and those on which the government had imposed "special programmes."

On its standard account the group reported a consolidated pre-tax loss for the year of SKr 508m (£52.5m; \$122.6m) on a turnover of SKr 12.2bn (£1.26bn; \$2.94bn). But the 20 companies operating commercially returned profits of SKr 276m pre-tax on sales of SKr 8.6bn, according to the supplementary account. The companies run as "special programmes" lost SKr 686m before extraordinary items on a turnover of SKr 3.75bn. (The breakdown does not include the parent company's transactions, but does include sales between group companies.)

To ram home the point, the



Per Sköld: "We will study a problem company and set a deadline within which we can put it on a sound economic footing. We then tell the government how much it will cost."

1979 report offers a third method of presenting the Statsföretag accounts. By following the recommendation of the Accountancy Board and reducing operating costs and financial charges by the amount of the cash received from the State to meet those costs, the group would show pre-tax earnings of SKr 97m instead of a SKr 509m loss.

Sköld is a determined and outspoken character, not afraid of jousting with his owner—the Ministry of Industry. He is also a loyal champion of the mixed economy, constantly reminding government and the Riksdag that when they set up Statsföretag they stipulated that it should be run "under the same conditions as those that prevail for industry and commerce in general."

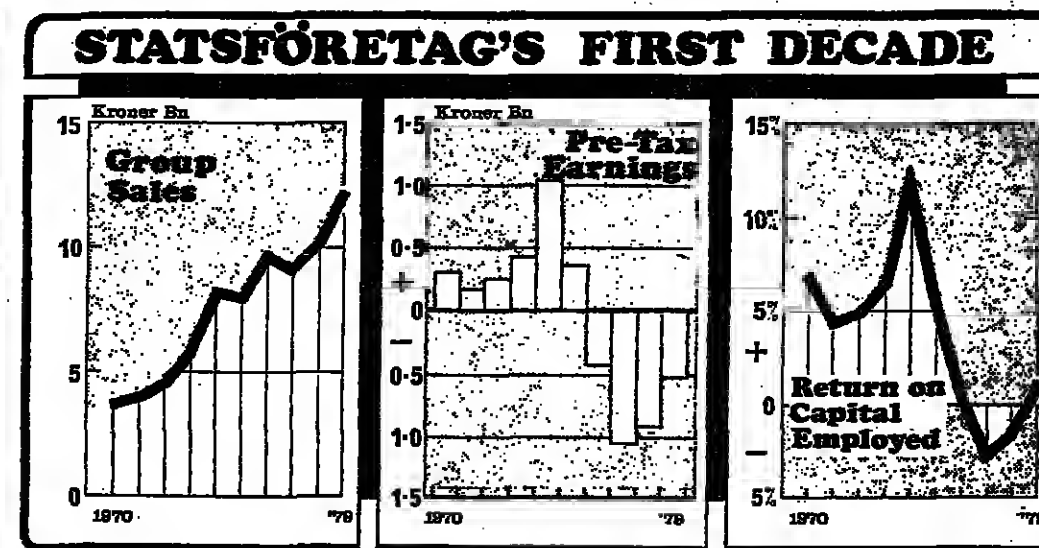
It was also specifically stated that Statsföretag's ultimate purpose was to expand in its areas of operation "within the demands of profitability." Moreover, after a transitional period the state, as owner, should be able to claim the same yield on

its invested capital "as is generally placed on companies of this kind in our country."

Here lies the rub. Sköld's demand to the annual meeting for clearer rules about the management of the state companies was partly defensive. The non-socialist government has decided that Statsföretag should pay a dividend on its share capital. Nils Aasling, the Industry Minister, has suggested that three per cent of the share capital might be an acceptable figure.

However, during its 10-year existence Statsföretag has only twice paid dividends—SKr 22m in 1973 and SKr 36m in 1974. For the period as a whole it shows a pre-tax loss of SKr 22m. Over the past four years losses before extraordinary items totalled SKr 2.9bn and during this period the state has pumped SKr 6.4bn into the group.

These losses are due in large measure to the policy of maintaining employment pursued by the non-socialist government (which came to power in 1976),



of subsidising industries hit by competition from developing countries, and by the recession of the mid-1970s.

With the Statsföretag group two companies which previously contributed substantially to group earnings, ASSI, the pulp, paper and board company, and LKAB, the iron mining company, have become lame ducks. They have accumulated losses of SKr 2.5bn over the past three years and have been shored up by injections of state capital.

In Mr. Sköld's view it is unreasonable for the Industry Ministry to ask for a three per cent return at the same time as it compels Statsföretag to operate some companies on a non-commercial basis. He is also opposed to the idea that a lower dividend target be set in order to make allowance for the subsidised companies; this would establish a false target and lower the incentives for the managers of the healthy companies, Mr. Sköld argues.

Dividend

The group does include some sound concerns. The Tobacco Company, for instance, has regularly returned 16 per cent on capital. Statsföretag can also boast some management successes: Kalmar Verkstad, which manufactures railway rolling stock, fork-lift trucks and dumpers, has been transformed from a company which

had losses approaching half its turnover in the early 1970s, into a profitable business.

In fact the Parliamentary Act of 1969 establishing Statsföretag offers justification for Sköld's argument that the holding company's subsidiaries should be divided into those operated commercially, from which the State can expect to receive a reasonable dividend, and the other companies in which Statsföretag is asked to operate as the Government's social and political agent.

The Act stipulates that it is Statsföretag's duty "to submit tenders at the request of the government for the discharge of special tasks which the state calls on the company to undertake." Although the non-socialist government has taken advantage of this provision, the rules for the tender operations have not been spelled out and their effect on the performance criteria to be applied to the state holding company has not been assessed.

Sköld is clear about what he wants. "Our philosophy is that we cannot run business enterprises without profit. We will study a problem company, formulate short-term and long-term goals for it in discussion with the Ministry of Industry and try to set a deadline within which we think we can solve the problems and put the company on to a sound economic footing. We then tell the government how much it will cost."

This is the tender or price tag for the project which, Sköld stresses, must have a positive cash flow. The price must be negotiated with the government and approved by Parliament. But what if Statsföretag cannot meet its targets? "We must pay from the profits of our commercially operated companies," he says.

And what if the company's problems prove to be intractable or the government is not willing to accept, say, the loss of jobs required? Then the government must find another way of dealing with the problem, states Sköld, adding that in the long term it will prove to be extremely expensive to try to solve industrial problems without using the limited share company system.

The government appears to be ready to accept Sköld's definition of the rules for the tender projects, but the industry minister is reluctant to limit the state's claim to a dividend from its share capital to those companies run on commercial lines. He believes the dividend target could be adjusted annually but should be based on the total share capital invested in the group.

A recent difference of opinion between Sköld and the Government is illuminating. When the state took over the Kockum shipbuilding group last year Statsföretag was asked to take on the subsidiaries' manufacturing forest machinery, electronic equipment and

chemical products. A "tender" was negotiated.

The Ministry of Industry agreed to inject SKr 265m to pay off the accumulated losses; this was some SKr 10-20m less than Statsföretag had requested. The minister refused Statsföretag's claim for a further SKr 150m to cover the losses it anticipated during the three years it would take to get the Kockum companies onto their feet.

This means, Sköld explains, that Statsföretag will have to undertake a much tougher reconstruction programme than originally envisaged. It will probably have to concentrate on the production of one or two products instead of the present three, and will not be able to guarantee jobs. If there is political trouble, the government must deal with it, Sköld says firmly.

Here he is gnawing at another bone of contention with his owners. Local politicians, local authorities and trade unions frequently try to change the terms of a Statsföretag tender project, even after it has been passed by both the government and the Riksdag.

The management of Svenski Säll (SSAB), the Swedish steel company in which the state has a half share, has had its restructuring efforts badly hampered by lobbying from local interests. Such interference with a project creates the wrong climate for economic management, Sköld points out.

Politicians

He is realistic enough to accept that Statsföretag can never operate free of political pressures but in recent public statements he has insisted that the politicians in the Riksdag must at least give the state holding group a fair chance to do its job by sticking to the decisions they have taken on the tender projects.

Sköld is more than a lone voice crying for sound management practice in a wilderness of political interests and, to be fair, the government is not unsympathetic to the arguments. Since he took over as Industry Minister Mr. Aasling has strengthened Statsföretag's autonomy by removing politicians from its board.

If the ground rules for the group's "non-commercial" operations can be agreed, "we can cope," Sköld says, and the Swedish state might just be able to look forward to a commercial return on its investments.

Management abstracts

These summaries are condensed from the journals of abstracts published by *Author Management Publications*. Readers wishing to consult original texts should write to: PO Box 23, Wembley HA9 8DJ.

Managing your Boss. J. J. Gabarro and J. P. Kotter in *Harvard Business Review* (U.S.), Jan/Feb. 80, p. 92 (9 pages, table).

Offers advice to subordinates on ways of working with superiors in order to get the best results for both parties and for the business; discusses how subordinates can evaluate the degree of mutual dependence, recognise the goals and pressures of the boss's position, and his strengths, weaknesses and work style with a view to developing the relationship.

Appraisal of Mid-Career Managers. N. Lindhard in *People and Profits* (South Africa), Nov. 78, p. 2 (4 pages, illus., tables).

Argues that the performance appraisal of mid-career managers should be a joint assessment carried out as a two-way social event between boss and subordinate as equal questions whether such a dialogue constitutes an invasion of privacy, particularly as it involves revelations about life-styles, personal and family attitudes, but points to the benefits of a greater element of subordinate self-appraisal which can be compared with management's view.

Managers and Myths. J. W. Driscoll and others in *Sloan Transfer*, Princeton, Practice, F. H. W. and D. Sharp in *The International Journal of Accounting* (USA), Spring 79, p. 71 (281 pages, tables).

Based on the results of a study of transfer pricing practices of a sample of multinationals, reports that the preferred basis is market price and, failing that, full product cost plus a mark-up; notes that multinationals are more likely to resort to inter-divisional bargaining than to say, a linear programming approach.

Corporate Social Reporting in Germany. M. Dierkes in *Journal of General Management* (UK), Summer, 1979, p. 3 (11 pages, table, bibliography).

Reviews the state of the art of social accounting and corporate social reporting in the Federal Republic of Germany, reports experiments being developed by specific firms, and identifies trends likely to influence future development.

Building and Civil Engineering

Over £5m to Jarvis

INCLUDED IN £5.3m worth of work just announced by Jarvis are four modernisation contracts in London, Croydon and Manchester, and a large commercial development in Surrey. Being built for the Property and Reversionary Investment Corporation at Grove Road, Sutton, Surrey, in an L-shaped office accommodation and eight shop units. Architect is Elsom Pack Roberts Partnership.

British Institute of Radiology is to move to 36 Portland Place, London W1 when the company has renovated and adapted this Robert Adam terrace house to

the designs of the Comprehensive Design Group.

In Mitre Square, London EC3, four floors of the former International House are being upgraded to become the offices of an insurance broker, Thomas R. Miller and Sons. Design consultant is Tierceon.

Five upper floors of City House, London Road, Croydon, which were damaged by fire last March, are being reinstated for Philips Electronics and Associated Industries. Central property department of Philips Industries is the architect.

Hospital job for Laing

JOHN LAING CONSTRUCTION Leeds, has been awarded the contract for building phase two of Rotherham District General Hospital by the Trent Regional Health Authority.

Work on the £8.25m contract is due to start in September and will take three years to complete. Total cost will be about £3m, including equipment. Phase Two will be connected to the existing Phase One in Moorgate Road, Rotherham, and be of the same construction.

Laing Management Contracting is to build improved facilities at Watford Football Club's Vicarage Road, Herts., ground

for spectators, ready for the start of the new season. The total cost will be about £350,000.

Control and crush barriers on the Vicarage Road terraces are being replaced, the barriers in the Rookery Stand are being increased in strength and new exit gates will be installed.

More work for Lesser

UNDER A CONTRACT worth nearly £2m Lesser Design and Build is to construct an office block at 125-135 Staines Road, Hounslow, Middlesex. Work has begun and completion is due in late October, 1981.

To be built for Lesser Land the five-storey structure with reinforced concrete frame, has been designed to allow for a possible extension and link to an office block which adjoins. Medium-sized facing brick will be used, together with rendered vertical window panels and black acrylic aluminium framed windows.

Floors will be open-plan, with internal partitioning for the service core, and they will be served by a two-speed lift accommodating 16 persons.

Lesser Design and Build is moving its own offices from Ruislip, Middlesex to Teddington later this year. The company says growth of business (£12m contracts won in first 6 months of 1980) is the main reason for the move.

To design and build

SIMONBUILD, Stockport, part of the International Construction Group MC (UK), has won two contracts for design and building work to a value of £1.45m.

The first, valued at £700,000, covers the replacement of the fire-damaged furniture warehouse of Cyril Bernstein, Middleton, Manchester, by 5,013 sq m of new production and warehouse buildings.

The second is a £750,000 contract from British Nuclear Fuels for a Craft Training Centre at Springfield, Manchester. It comprises a two-storey block and a steel-framed workshop.

Sir Alfred McAlpine busy

CONTRACTS TOTALLING more than £5.1m have been announced by the Sir Alfred McAlpine group and include a £2.5m project at Worthing, Cumbria for Leyland Vehicle.

Scheduled for completion to 11 months, this involves the building of a 90,000 square feet extension to an existing factory, together with a small two-storey office block and car parks.

For British Nuclear Fuels the company will build a single-storey steel-framed office block,

construct a car park and access road off existing service road, and provide landscaped screening mounds around the new building, all included in the £1.5m contract.

Another £1.2m contract is being undertaken for Celtic Bank, and comprises construction of a five storey office block in Douglas, Isle of Man.

A heavy ash loading facility will be built at Northwich, Cheshire for ICI (Mond division) under a £220,000 contract.

Shopping centre started

THE £4.35m contract for the construction of phase two of a shopping centre in West Street, Fareham, Hants, has been awarded to Costain Construction by the Standard Life Assurance Company.

The work will involve construction of a reinforced concrete frame for the centre and multi-storey car park with shops and pedestrian malls at ground level. Completion is due in late 1981.

Architects are R. Seifert and Partners, engineers, Pell Frischmann and Partners and quantity surveyors, Banks Wood and Partners.

Costain Renovations has won a £976,726 contract for the construction of a new building for

Mothercare in North Row, London W1.

The contract calls for the construction of a reinforced concrete frame building to provide sales and storage accommodation. Costain will also build a single storey steel framed extension over the existing retail unit and the work will include shopping, mechanical and electrical services, lift and conveyor installations, drainage and external works. Work has begun and is due for completion in mid-1981.

Architect is Newnaw Levison and Partners, consulting structural engineer is Peter H. Hill and Partners and quantity surveyor is Stern and Woodford.

£3.3m awards to Mansell

ORDERS TOTALLING £3.75m have been won by R. Mansell.

The largest contract is the re-building of offices at 4-5, Arlington Street, London, SW1, for Chesterfield Properties valued at £1.5m. Other private sector work includes the fitting out of W. H. Smith's High Holborn store valued at £340,000.

At Church Road, Croydon, work has begun for the Wyvern Property Trustees on a contract valued at £200,000. A £360,000 contract is under way at Barter

Street, London, WC1, to convert the existing building into a training and recreation centre and the Post Office has placed an order valued at £180,000 to construct extensions to a vehicle facility at King Edward Street, London, EC1.

The public sector is represented by work on 48 flats at Chertsey Court, Mortlake, which are being upgraded and modernised for the Borough of Richmond under a £925,000 contract.

Warehouses by Mowlem

A £1.4m contract, to build advance warehouses at Lionel Road, Kew, West London, has been awarded to John Mowlem.

The contract, from Scottish Amicable Life Assurance Society, is to build nine single-storey warehouses in three blocks totalling 71,800 square feet. Project managers are Dimsdale Developments (South East).

Designed by architects D. S. Tucker and Partners, the warehouses will be of steel frame construction with brick cladding and asbestos sandwich

roofing. Consulting engineers are K. A. Lock and Partners and the quantity surveyors are Silk and Fraser. Work has just started and completion is due in summer next year.

Mowlem has also been awarded a contract, worth about £200,000, for preparatory site works for the Public Health Laboratory Service Board development at Colindale in north west London.

The work, which has started, involves diverting existing sewers and services round the site and laying site roads to provide access.

Last stage of shopping centre

BRYANT CONSTRUCTION has negotiated a contract worth £4.5m for the construction of the final section, phase 3B, of the Redditch Town Centre development. When completed in 1982 the development will be one of the largest covered shopping centres in the country.

This last stage of the development will provide a total area of 400,000 sq ft of shopping space. Architect for the development is E. G. Redditch.

Extension costs £2.7m

G. PERCY TRENTNATHAM has been awarded a £2.7m building contract by Lloyds and Scottish Finance Group for an extension to the latter's Edinburgh headquarters.

This will provide a further 50,000 square feet of office accommodation plus a covered car park for over 200 vehicles. Lloyds and Scottish says great care has been taken in the design of the building at Orchard Brae to ensure that it blends in with the character of the area and extensive use will be made of landscaping at both ground and terraced levels.

Excavator market attack

TYDACTOL GROUP has been appointed sole UK agent for the Mitsubishi range of hydraulic excavators. The smallest in the range, the 80 bp MS 110-3, with a capacity of 10.6 tonnes, will be priced at £19,900. The largest in the range to be introduced in Britain is the MS 230-3, with an operating weight of 23 tonnes and a standard bucket capacity of 0.9 cubic metres.

Details from Tydaetol Group, 2, Fitzroy Close, London N6 6JT (01-348 4257).

CRENDON
CONCRETE FRAMEWORKS

The right way to build

FACTORIES OFFICES & WAREHOUSES

CRENDON CONCRETE CO. LTD
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Project in Bangladesh

THE Swedish International Development Authority has appointed Sir M. MacDonald and Partners in association with Huoting Technical Services to advise and assist in an intensive rural works project in Bangladesh.

Planned to improve the physical infrastructure in 100 thanas (sub-districts), the project includes a review of the work of local engineering consultants in connection with the construction of embankments against flooding, the excavation of drainage and irrigation channels and the construction and improvement of roads and bridges, which is expected to cost between US\$ 100m-US\$ 130m over a five-year period.

Against the tide

A TIDAL defence scheme on the River Ribble, Preston, Lancs is to be carried out by Means Contractors.

Valued at £220,000, the 10 months contract which is being carried out for the North-West Water Authority is scheduled for completion in May, 1981.

The work will involve the construction of 850 metres of reinforced concrete retaining wall 1.2 metres high.

Forward Trust DEPOSIT RATES

Depositors are advised that with effect from July 14 the following rates of interest will apply:—

Notice of Withdrawals	Deposits of £1-5,000
7 Days	13½ %
1 Month	14 %
3 Months	14½ %
6 Months	14½ %
12 Months	14½ %

* Applies to existing deposits only. New deposits at seven days' notice are not accepted.

Forward Trust A SUBSIDIARY OF MIDLAND BANK LIMITED

For further information apply to:—

Forward Trust Ltd.,
Deposit Department,
PO Box 362,
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Telephone: 021-454 6141

Tekural Unique
flat roof insulation

Evode Roofing Limited, Common Road,
Stafford ST16 3EH. Telephone: Stafford (0785) 45121.

Wins sales.

At first sight, the Leyland Roadtrain and the Saudia Leyland British Grand Prix winner don't seem to have much in common.

Yet the advanced engineering and single-minded design that went into the racing champion's car are precisely the qualities that make Roadtrain the most exciting truck for years.

And following Roadtrain's spectacular success, we've launched another new truck called Constructor.

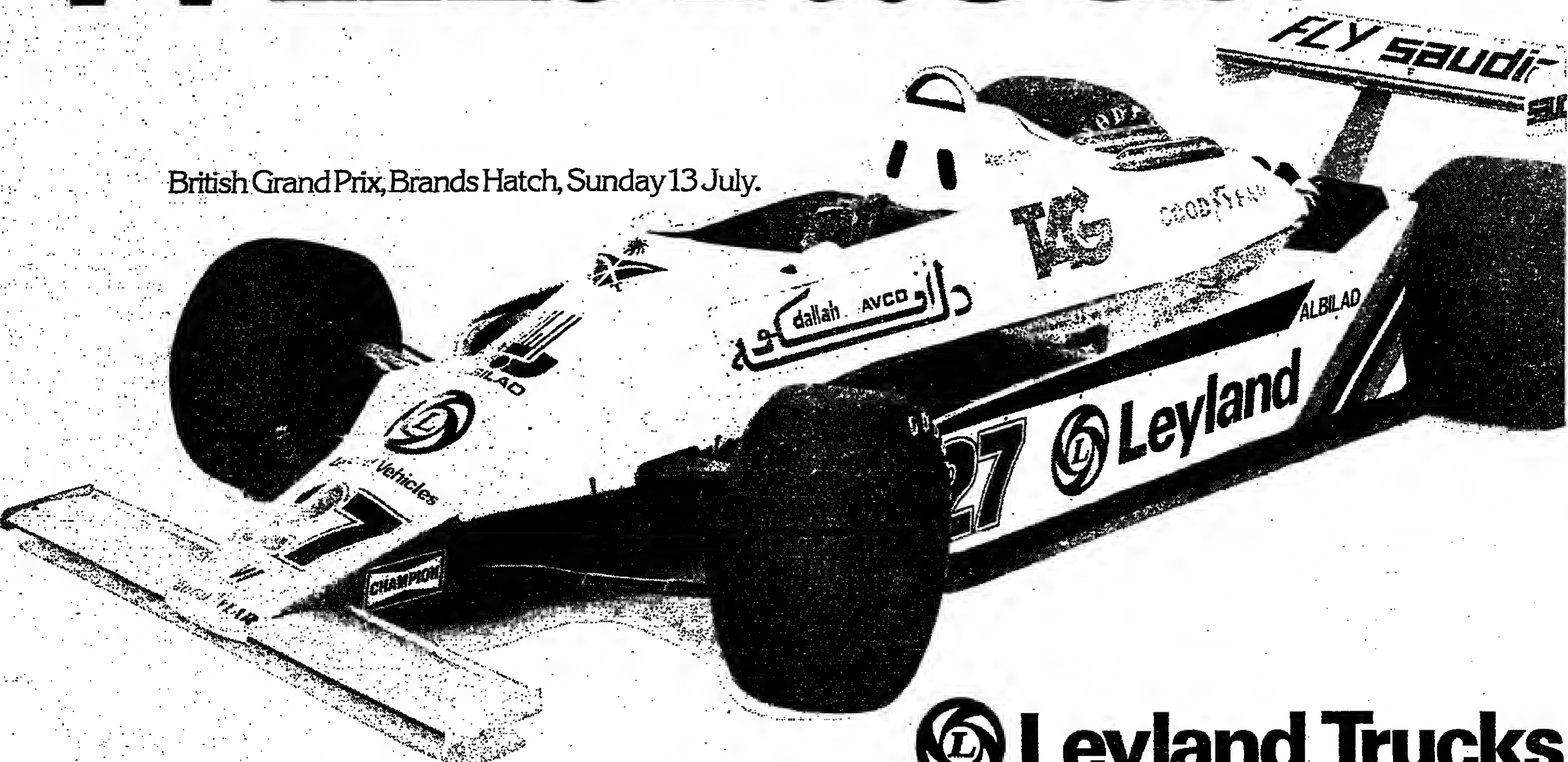
It's one more step in making ours the best truck range for the '80s.

Isn't it good to see some winners from Leyland Trucks?



Wins races.

British Grand Prix, Brands Hatch, Sunday 13 July.



Leyland Trucks
Delivering the goods.

10

LOMBARD

Energy-wasting policies galore

BY SAMUEL BRITTAN

THE ORGANISATION for Economic Co-operation and Development (OECD) states in its July Outlook that the oil price explosion of 1973-80 will lead to a cumulative loss of output in member countries of nearly 51 per cent by 1981 and add about 11 per cent to consumer prices level by that year. One does not have to take these estimates as holy writ to see that it would be desirable for the industrial world to reduce its vulnerability to such shocks.

The Venice summit communiqué had a great deal of talk about oil and energy savings, with some technological estimates for 1980. But it was very short on definite policies for achieving these ends.

The most powerful incentive both to consumer energy saving and to the development of new sources of supply is the price of energy relative to other things—its "real price".

According to OECD estimates each 10 per cent rise in the real price of energy for final users will lead to a 3 per cent saving after two years rising to 5 per cent saving after five years—and this leaves out of account producer incentives altogether. The real price of imported oil for seven major countries was nearly three times as high in 1979 as in 1973. By 1980 it is likely to be 4½ times as high.

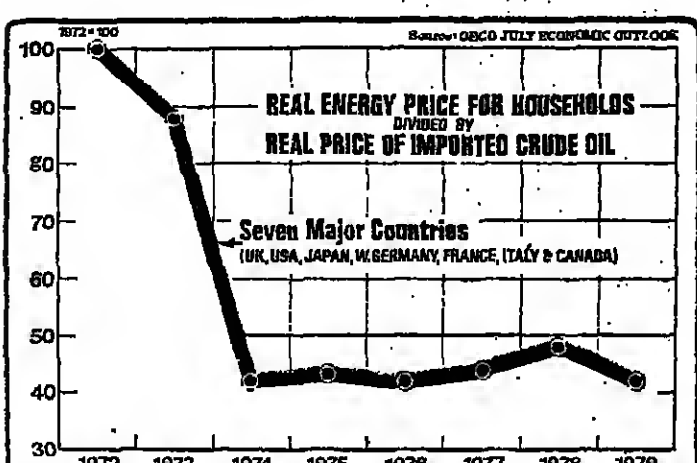
If one believes that market forces should be supplemented by state intervention, then the real price of energy to the final consumer should have gone up even further to provide extra incentives. In fact actual Government policies, as distinct from rhetoric, have served to hold down the rise in energy price paid by households to

well below the rise in world prices. In all seven countries real household energy prices had risen by only 21 per cent between 1972 and 1979. In other words relative to imported oil, real energy prices had fallen to 42 per cent of their 1972 level. This is surely an anti-energy policy with a vengeance.

The exact reason for these perverse price movements varies from country to country. But much the most important is the tax component in gasoline and diesel oil prices. This is usually fixed in specific terms and has been eroded by inflation. In every country taxes represented a much smaller proportion of gasoline prices in 1979 than in 1972; this was particularly marked in the UK where the drop was from 70 to 30 per cent.

Other influences have been price control, such as in the U.S., and below-market pricing by state corporations producing alternative fuels such as gas. Industrial energy prices went up nearly three times as fast as consumer prices—the discrepancy having obvious electoral causes. But the average level of final prices was far too low.

Energy taxes should preferably be tied to the market price or at the very least indexed to consumer prices. Any apparent inflationary effect could be compensated by offering reductions in other consumer taxes. A price-based energy policy has also the supreme advantage that it is not tied to forecasts of oil prices and supplies, but will adjust automatically to both glut and shortage—which is more than heads of Government can be expected to do.



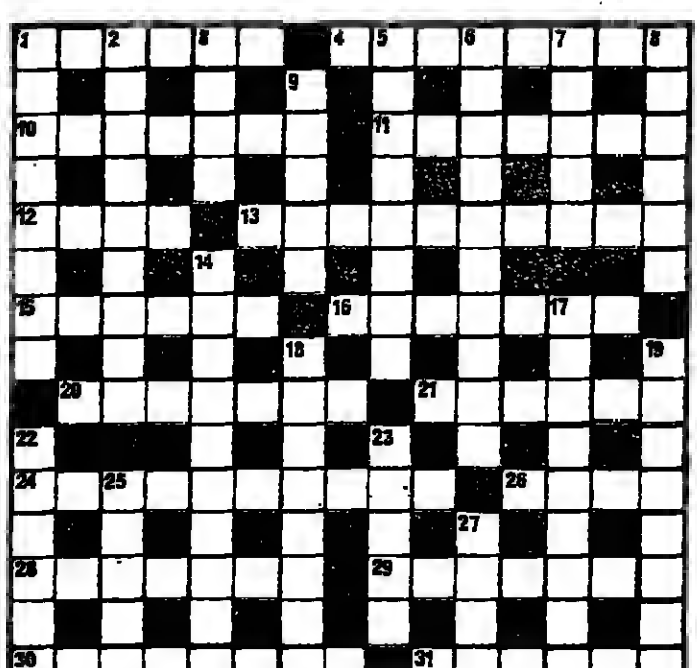
TV/Radio

BBC 1

† indicates programme in black and white

6.40-7.55 am Open University (Ultra high frequency only).
11.25 Cricket: Third Test. 1.30 pm Heads and Tails. 1.45 News. 2.05 Cricket: Third Test. 4.15 Regional News for England (except London). 4.15 Play School (as BBC2 11.00 am). 4.40 The Space Station. 5.00 John Craven's Newsround. 5.10 Blue Peter Files the World. 5.40 News. 5.55 Nationwide (London and South East only).

F.T. CROSSWORD PUZZLE No. 4321



- ACROSS**
- Transport the rabbit about five (6)
 - Moulds the Irish Police among friends (8)
 - Be in harmony with a runner—that's just fancy (7)
 - Expert turns to hospital villains (3, 4)
 - A short chap but here not thin on top (4)
 - Resort for short holiday on firm (10)
 - One party to meet half London—it's something you have in mind? (6)
 - "I often think it's" (10 letters) (17)
 - Right, but it could mean a free kick (7)
 - Shots give old Bob hell (8)
 - They are—that's just fancy (7)
 - 26 Sounds fit to measure (4)
 - 28 An underest may appear when there is a fire in the street (7)
 - 29 Rich man has a score to settle with us (17)
 - 30 Reform is speedy in Scottish river district (5)
 - 31 People around to help a young girl (6)
- DOWN**
- 1 Not a thoroughbred party (8)
 - 2 Sound stage-effects (6, 3)
 - 3 Dam—it's busted (4)
 - 4 "—" should be made of sterner stuff" (J.C.) (8)
 - 5 Nocturnal Russian agent welcomed by shepherds (3, 2, 5)
 - 6 Order of Knighthood introduces a strange fragment (5)
 - 7 Frames the tennis player in the ship (6)
 - 8 Early heart transplant (5)
 - 14 Works of an artist which may be special (10)
 - 17 Spoken to like a golf ball (8)
 - 18 Given the entrée — that's introduced (8)
 - 19 Introduces her crime to us (6, 2)
 - 20 Stoppage as I found to the streets (6)
 - 21 Get a pretty girl to give information (5)
 - 22 See a bird about one—hope your number comes up (5)
 - 23 Lethargy is to be seen in all that Franco managed (4)

The solution to last Saturday's prize puzzle will be published with names of winners next Saturday.

Law Lords settle £6.50 holiday upset

THE WEEK IN THE COURTS

BY JUSTINIAN

deous aids to construction. A purposive construction of the Convention led to the conclusion that the partial loss of the subject-matter carried out by the insured was the "damage".

But, other felt that one arrived at that result only by looking at the legislative history (or *travaux préparatoires*, as the international lawyers call it), something that would be wholly impermissible for an English judge to do if he were interpreting simply a piece of domestic legislation rather than an Act of Parliament that was enacting an international convention.

In this case, moreover, the English statute actually incorporated the dominance of the French text of the Convention. Article 26 of the Warsaw Convention of 1929 was agreed to in a single French text. It was introduced into English law by the Carriage by Air Act 1932 which set out in a schedule to the Act a translation of the Convention from the French into English, and provided that the provisions of the Convention as set out should have the force of law in the United Kingdom.

In 1955, at the Hague Conference, a change in the time limits on the carrier's liability was made. This was reflected in the Carriage by Air Act 1961 which provided that, if there

was any inconsistency between the text in English and the text in French (which was now scheduled to the Act), the latter should prevail.

Thus, in this case not only was it permissible to look at a foreign language, but even obligatory. Both language texts had to be looked at because only as and when both were looked at could it be judged whether there was any inconsistency.

While no doubt "damage" is one thing and "loss" is another, the Law Lords were driven immediately to see what the French text said. This dual linguistic approach avoided part of the difficulty in interpreting exclusively the English meaning, in that the French text confines the use of the word *dommage* to monetary loss. When it refers to physical damage, it uses the word *avarie*. So what did the word *avarie* mean? This led the Law Lords in turn to ask themselves the question how the court ought to ascertain the meaning of a word or expression in a foreign language.

Given the insularity of the British towards any foreign language, even French, and assuming that English judges are unfamiliar with anything other than the French learnt at their prep schools and public

schools, the courts will have to look for aids to interpretation. The first step will be to look at how Parliament itself translated the French words, next, they may resort to dictionary meanings of the French word, and third, they will have to receive expert evidence, not the questions of law which arise in interpreting the Convention, but to the meaning or possible meanings of the French.

It will be for the court to choose the meaning which it considers should be given to the words in issue.

The experts in this exercise may quickly lead the judges to at least the other major international language.

Happily, in cases arising out of EEC law, there is always the multilingual expertise that resides in the European Court of Justice at Luxembourg in who the ultimate interpretative function is vested.

The Law Lords then turned their attention to the question of the *travaux préparatoires*. Since international courts and tribunals (as well as courts in other countries) do in general make use of the legislative history of an international Convention or treaty, so English courts ought to.

Indeed, Article 32 of the Vienna Convention on the Law of Treaty of 1969, to which the United Kingdom Government is a party and which entered into force a few months ago, has cautiously endorsed this approach.

The consensus of the majority of the Law Lords is that the preparatory work of the law-making process of the legislature may be profitably used in proper cases.

Two conditions must be fulfilled. First, the material involved must be public and accessible. Second, the *travaux préparatoires* must clearly and indisputably point to a definite legislative intent. The *travaux préparatoires* to the Hague Convention of 1955 have been published by the International Civil Aviation Organisation.

For the future, the same has in any event been resolved without the assistance of the House of Lords. By Section 2 Carriage by Air and Road Act 1979, "damage" is to be construed as including loss of part of the baggage or contents.

The Court of Appeal had been tempted to say, therefore, that despite the apparent meaning of "damage", it should receive the meaning which Parliament in 1979 had said it always intended it to have. But courts cannot construe an earlier statutory provision with reference to a later statute.

The number of outstanding cases which arose before the 1979 Act are happily resolved in a way that is consistent with cases now governed by the 1979 Act. Courts and legislature have arrived at a common sense, thanks to the willingness of the former to use material to interpret the latter's intention which in a wholly domestic situation they would be debarred from using.

[1980] G.B. 23

Dupecater merits interest

WILLIE CARSON, whose tearaway race in the Jockey's Club, the Dupecater, has left all but Pat Eddery out of contention, has a profitable-looking double stint lined up today. After riding at Leicester in the afternoon, the Scotsman will be threading his way down the M1 to take in Windsor's evening

RACING

BY DOMINIC WIGAN

meeting where he has a mount in the opening 6.40 event.

At Leicester Carson's best prospects seems to be the John Tudor-trained Dupecater and Queen's Token, who raced nicely handled by another in-form trainer, William Hastings-Bass.

Although the Dupecater's form figures are three successive zeros which do not inspire confidence, I believe he is good enough to merit an interest in the Westoo Selling Stakes. A

full sister to Lightning Record under the name of the Dupecater, the Eddery mount, who has been tackling better opposition in maiden company at such courses as Kempton, may be able to lead from start to finish under Carson's vigorous driving.

Queen's Token, among the runners for the Tower Nursery, undoubtedly surprised a few observers on the spot when, after moving scratchily to the start of Ripon's St. Marygate Stakes seven weeks ago, she was not hard pressed to overhaul Bella Thorne in the 1000 Guineas. To have come on a good deal since that success, Queen of Saba's still unfurnished daughter can follow up by giving the best part of two stones to Accountant.

Pearlway, who is reported to be one of the quicker two-year-olds at Seven Barrows, makes his debut in the Workshop Manor Stakes and, despite the presence of previous winners in Welsh

Noble and Wonderful, I believe it will pay backers to row in with the colt, a bay by Derring-Do out of Pearlesque. Later in the day, another well thought of newcomer, Myra's Pet, makes her debut in Windsor's opening Greenacre Maiden Stakes. Here, Mr. Chummy Gaventa's Auction Ring filly may find Carson's mount, Panshell, the main obstacle.

LEICESTER

2.15—The Dupecater**
2.45—Sharpener
3.15—Queen's Token
3.45—Pearlway**
4.15—Mac's Treasure
4.45—Biggles
5.15—Oyston Estates

WINDSOR

6.40—Myra's Pet
7.30—Miss Raffles
8.00—Boggett*

ANGLIA

10.00 am Something Special. 10.50 Child Life in Other Lands. 11.20 World News. 11.45 Caravan. 12.00 pm News. 1.20 pm News. 2.00 pm News. 2.30 pm News. 3.00 pm News. 3.30 pm News. 4.00 pm News. 4.30 pm News. 5.00 pm News. 5.30 pm News. 6.00 pm News. 6.30 pm News. 7.00 pm News. 7.30 pm News. 8.00 pm News. 8.30 pm News. 9.00 pm News. 9.30 pm News. 10.00 pm News. 10.30 pm News. 11.00 pm News. 11.30 pm News. 12.00 pm News.

ATV

10.20 am Sesame Street. 11.20 The Entertainers. 11.45 Larry the Lamb in Toyland. 12.00 pm News. 1.20 pm News. 2.00 pm News. 2.30 pm News. 3.00 pm News. 3.30 pm News. 4.00 pm News. 4.30 pm News. 5.00 pm News. 5.30 pm News. 6.00 pm News. 6.30 pm News. 7.00 pm News. 7.30 pm News. 8.00 pm News. 8.30 pm News. 9.00 pm News. 9.30 pm News. 10.00 pm News. 10.30 pm News. 11.00 pm News. 11.30 pm News. 12.00 pm News.

BBC 2

6.40-7.55 am Open University. 10.30-11.30 am Open University. 1.30-2.30 pm Open University. 3.30-4.30 pm Open University. 5.30-6.30 pm Open University. 7.30-8.30 pm Open University. 9.30-10.30 pm Open University. 11.30-12.30 am Open University.

CHANNEL

1.20 pm Chanel Lunchtime News. 1.30 pm Chanel News. 1.40 pm Chanel News. 1.50 pm Chanel News. 2.00 pm Chanel News. 2.10 pm Chanel News. 2.20 pm Chanel News. 2.30 pm Chanel News. 2.40 pm Chanel News. 2.50 pm Chanel News. 3.00 pm Chanel News. 3.10 pm Chanel News. 3.20 pm Chanel News. 3.30 pm Chanel News. 3.40 pm Chanel News. 3.50 pm Chanel News. 4.00 pm Chanel News. 4.10 pm Chanel News. 4.20 pm Chanel News. 4.30 pm Chanel News. 4.40 pm Chanel News. 4.50 pm Chanel News. 5.00 pm Chanel News. 5.10 pm Chanel News. 5.20 pm Chanel News. 5.30 pm Chanel News. 5.40 pm Chanel News. 5.50 pm Chanel News. 6.00 pm Chanel News. 6.10 pm Chanel News. 6.20 pm Chanel News. 6.30 pm Chanel News. 6.40 pm Chanel News. 6.50 pm Chanel News. 7.00 pm Chanel News. 7.10 pm Chanel News. 7.20 pm Chanel News. 7.30 pm Chanel News. 7.40 pm Chanel News. 7.50 pm Chanel News. 8.00 pm Chanel News. 8.10 pm Chanel News. 8.20 pm Chanel News. 8.30 pm Chanel News. 8.40 pm Chanel News. 8.50 pm Chanel News. 9.00 pm Chanel News. 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THE ARTS

Cottesloe

A Lesson from Aloes

by B. A. YOUNG

Gladys Beuzidenhout, the quasi-English wife of Piet Beuzidenhout, consciously Afrikaaner, has been home with him in Port Elizabeth for over six months, but they have had no visitors. Now they are expecting Piet's old friend and political comrade Steve, a Coloured man lately in prison for going to a party while under a banning order. While they wait, Piet talks about his collection of aloes. Gladys recalls how, in a police raid, the police took all her diaries, and Steve's recent history is recounted as Piet tells of the beginning of their association, when Piet was a bus-driver and Steve was campaigning in favour of a bus boycott.

Athol Fugard tells the tale backwards. The first act is empty of any significant action, and I thought at the interval that we were in for a dull play. But there were little matters to be made clear. Where had Gladys been? Why is she so forgetful? Piet has explained to her that Steve will bring his wife and children, yet when he says "They'll be here soon," she answers "Who?" Can it be true that Piet was an informer on the political group they all belong to? And when Gladys retreats to her room to get ready

for the party, why does she say: "Call me if they come," not "Call me when they come?" There is nothing dull about the second act, for Mr. Fugard fills the arid void of his first act to raise a fine crop of excitement. The argument is less confined to South African politics than in most of his work, though South African politics form the background. Instead, we have a straightforward examination of conflicting loyalties that could apply in any country of any people of any colour. First, there is the matter of Steve's impending emigration to England, opposed to Piet's resolute devotion to his own nation, right or wrong. Then there is the more urgent question of Piet's suspected disloyalty to his comrades. I think I shall not tell whether this suspicion is justified or not, for out of it Mr. Fugard ties a splendid knot of accusations, and if it ends as I believed from the first that it would end, it doesn't do so without a good deal of cunning delay.

The company playing this at the Cottesloe is from the Market Theatre, Johannesburg, and the social details may be accepted as authentic. Piet, played by Marius Weyers, is a

solid, square fellow who tries with more ambition than success to lighten his character with quotations from classic poetry, which he delivers with goodwill but little music in a South African accent that you could cleave with an axe. Shelagh Holliday's Gladys is a suburban lady whose occasional eccentricities of speech and behaviour make you wonder what's wrong with her until finally, at the climax of the play, you learn where she was six months before. Steve is a restless, cheerful man in Bill Curry's performance, his arms as active as semaphores, but with a sense of disillusion underlying his surface gaiety.

Mr. Fugard directs the play himself. There is a set by Douglas Heap showing on one side the garden of the Beuzidenhouts' home, with its rows of spiky green aloes in pots, and on the other side the hedgerow, with Gladys's bed and the desk where she writes, and sometimes hides, her diaries. As for the lesson which we are to learn from aloes, it is briefly expressed by Piet early in the play, when he descends on the way in which the plants can flower in adverse conditions. "We need a survival mechanism," he says.



The statue of Lord Holland in Holland Park

London parks: where next?

by GILLIAN DARLEY

It is easy enough to think of parks as somewhat static, especially the wonderful central city parks, both the Royal ones and those administered by the GLC. Even the numerous other parks administered by London Boroughs, some of which commemorate remnants of common lands, constitute an enormous asset which most of us take entirely for granted.

As Dame Sylvia Crowe put it in an introduction to a recent symposium, "The Future of London's Parks," organised by the South East Chapter of the Landscape Institute: "We all agree that no city has finer parks, more zealously cared for and more appreciatively used. The difficult but fascinating problem is how to retain the special character and beauty of these diverse legacies and yet meet the needs and desires of the people who use them today."

The problems that beset parks are, in reality, numerous, ranging from petty difficulties to monumental decisions about the future planning and use of public spaces. The dramatic problems include vandalism, badly sited neighbouring buildings, and major attacks of virulent diseases upon vegetation—the most obvious of which is Dutch Elm Disease; the most menacing, one affecting plane trees. Lesser problems, yet similarly far-reaching, concern age and the natural life span of various species, carelessly placed or over-zealous signs, ugly

ancillary buildings, rushes of concrete and tarmac and, in general, changing ideas on the appropriate kind of park, with the influences of ecology and nature conservation making themselves increasingly felt—and heard.

One illustration of the last point comes from Wandsworth Common where in the past four years substantial areas have been allowed to revert to a wilder form in order to harbour and encourage a much wider range of flora and fauna. Conservancy of this sort does not imply economy—slaggy grass and abundant bushes are just as expensive to maintain as regular gang-mowing of neat lawns.

There seem rather alarming divergences of opinion on the tricky problem of replacing the discarded or aged trees in an avenue but despite statements to the contrary at the symposium, however replanted the avenue seems set to remain a feature of parks. Nevertheless, fashions in landscaping and gardening do alter the face of the parks—little by little—and gaffes such as the gaudy flowerbeds cut into the turf around the lake in St. James's Park (Dame Sylvia's choice for a symptom of inappropriate additions to the landscape) are small indicators that all is not always well, even in the finest, most sacrosanct of parks.

In the same park, the view over the water to the old War Office has gone, blotted out by overgrown mature trees and questionable planting of flowering shrubs.

New parks are not a very

happy picture either. Their depressing acres of featureless turf and railied-off gutters for water are a sight; luckily there are exceptions, for example the little waterside play area and minute "open space" (the ugly modern word for park) near St. Mary's, Rotherhithe. The Burgess Park scheme for South London, still under way after decades of wrangling, is an expensive and questionable exercise. Parks today have to be immediate and the Dutch experiments with ecological areas could teach us a great deal about approaching the subject with imagination.

Nevertheless, an account of the problems faced by the independent commission sorting out the problems of Central Park, New York, makes London's problems look insignificant. There a combination of mismanagement and non-management have left the glorious old Victorian Picturesque park (for this is what Olmsted and Vaux produced) an overgrown, eroded and generally fly-blown backyard to New York. With \$10m a year the Commission believes it can do something.

In London, parks are getting their own amenity groups. Hampstead Heath has long had its vigilante body and more recently the Friends of Holland Park were formed, in the hope that more consultation over future policies will be possible (in that case with the GLC), and that the public back gardens that every Londoner has in one form or another, and which are the envy of the world, can be passed on, thriving and verdant, to many generations to come.

Covent Garden

Royal Ballet School

by CLEMENT CRISP

Is it really 21 years since the Royal Ballet School's first annual performance? So said the programme for Friday night's gala, a celebratory affair with *Concerto* and *The Two Pigeons* on the bill to show that the young still tread eagerly on the heels of their elders. All rather sobering when one thinks of the bright talents who have made their debuts on these occasions across the years, and are now retired while the critics, older than the rocks on which they uncomfortably sit, still watch and hope for the future.

One interpretation which I thought especially appealing this year came from Alessandra Ferri in the adagio of *Concerto*. A beautiful girl, she moved with a serious, lyric grace, unfurling the lines of MacMillan's choreography in unhurried sweetness, the atmosphere and the pulse of the entire passage well sustained.

In *Concerto*'s first movement, Philip Broomhead—who caught the eye in last year's show—seems able to soar into a broad, split *jeté* from absolutely nowhere; he is suddenly up in the air and moving fast, which is no mean achievement. There is physical gift here which needs—and I hope will receive—very careful coaching; Baryshnikov's presence in London must remind the Royal Ballet of the testimony he gives in his illuminating book, *Baryshnikov on work*, to the vital influence of his great teacher, Pushkin, in shaping his abilities.

Admiration, too, for the slightest of the three boys in the first movement, who has a fifth position after a double *tour*—something which most men in the Royal Ballet eschew.

In *The Two Pigeons* the young lovers were taken by Nicola Roberts and David Peden, tender young talents as yet, but with something individual and attractive in their playing. Nicola Roberts adgets prettily, as she should and has a spark of real pugnacity when she battles to keep her young man's affections. David Peden, in the brief duet opportunities offered him, shows a bright, clean style, attractive line, and he acts all the youth's frustrations and enthusiasms scrupulously.

Very assured was Karen Donovan as the Gypsy girl. She tore into the role as if she had danced it for years, and with no trace of uncertainty, bounded through the taxing solos with lively demi-caractère verve. The ensemble of gypsies I found rather ragged, and I note an absence of lightness, of that upward-stretching quality which so enhances the presentation of the dance d'écôle, in the work of these young dancers.

For anyone wishing to see these student performers, the School will be appearing at the Richmond Theatre from 21-26 July in programmes which include the creations of two young choreographers: Michael Corder and Jonathan Burrows.



Nicola Roberts and David Peden dance 'The Two Pigeons'

Philharmonia plans for 1980-81

The Philharmonia, first of the London orchestras to offer its Festival Hall concerts on subscription, has already sold a third of the seats thus available.

Riccardo Muti, the Philharmonia's Music Director, will conduct 11 concerts during the season; other conductors include Lorin Maazel, Vladimir Ashkenazy, Bernard Haitink, Selji Ozawa, Andrew Davis, and Simon Rattle.

Two eminent musicians associated with the orchestra, Carlo Maria Giulini and the

veteran Lovro von Matačić, return to conduct one and two concerts respectively.

Singers engaged include Kiri Te Kanawa, Ileana Cotrubas, Helen Donath, Agneta Balice, Jessye Norman, Stuart Burrows, Robert Tear, Tom Krause, and Simon Estes, while among the pianists are Radu Lupu, Daniel Barenboim, Martha Argerich, Michel Béroff, John Lill, and Jacques Klein.

During the season the orchestra will visit Germany, Scandinavia, Spain, France, and the U.S.

E.F.

Staatstheater Kassel

Wozzeck by ELIZABETH FORBES

"Wozzeck for our time"—that is how Heinz-Lukas Kindermann describes his production of Berg's opera recently staged at the State Theatre, Kassel; but his interpretation of "our time" is fairly elastic, stretching over the last half-century or so. Walter Perdascher's permanent set—the three acts are played without interval—comprises a low mound covered in crumbling cobblestones; on one side is the municipal rubbish dump, on the other an outlet for the town sewer, symbols of the built-in waste of a consumer society.

A rusty railway line bisects the mound, which is encircled by mirrors, the rear one enabling the spectators to see what goes on the other side of the hill. Sections slide on from the wings with the minimum props required to place the 15 scenes: a chair, a bench, a bed, the corrugated iron wall of Marie's shack, some highly coloured plastic garments for the beer garden, a barbed wire fence enclosing the barrack-

room where Wozzeck and his comrades sleep. The lake is reflected behind the mound in the mirrors.

Characters are milked for their utmost symbolical significance: the Captain, powerfully sung by René Glässen, is a strutting, sadistic SS officer; the Doctor, nicely underplayed by Siegfried Haertel, is mild-mannered, but his experiments on Wozzeck, watched by a row of white-coated students, inescapably suggests the concentration camp experiments on human guinea pigs. Barbara Honn's warm-hearted and no less over-the-top late-Romantic Marie seems to embrace her death, draped over the sewer pipe, as ardently as she embraces the Drum Major, a beefy, blond bully sung with welcome restraint by Hans-Jürgen Schmidt.

The Fool (Roderic Keating) an elderly, blind man cripple, who appears in several "extra" scenes, at the end strips off his mask to reveal a skull—here the symbolism becomes a trifle too

obvious. Wozzeck himself, stoically played by Dieter Hönig, is, to quote Mr. Kindermann again, a perpetual outsider in a world where such individuals, deprived, hungry, hopeless, make up the vast majority. Unable to come to terms with society—as, for instance, the happy-go-lucky Andres (Franz Kasemann) is able to do—Wozzeck donates his life in passive, uncomprehending protest against authority.

James Lockhart, who is leaving Kassel after eight years as music director of the Staats-theater there, conducts; he does not over-stress the late-Romantic aspects of Berg's score, but obtains a transparency of texture from the orchestra without sacrifice of either bones or flesh. An off-stage piano in the scene where Wozzeck dances with Margret (the attractive Leni Poulson) is too muffled, but the chorus, refugees from a Berlin transvestite nightclub of the 20s, are brilliantly deployed here, as they are too in the earlier beer-garden scene.

Covent Garden

Late Night Concert

On Friday night, after the ballet performance, the Orchestra of the Royal Opera House gave a concert in aid of the Musicians' Union Hardship Fund, with special reference to the campaign to keep the BBC Orchestras alive. All the artists involved—the members of the orchestra, their conductor Sir Colin Davis, and the seven distinguished singers—gave their services, while a full house and some persuasive programme-sellers must have raised a satisfying sum for the fund.

Such occasions, however worthy the cause, however well-intentioned the participants or henevolent the audience, do not always add up to a meaningful artistic event; this one did. From the first item, a splendid performance of the Prelude to *Carmina* by Sir Colin and his band, it was obvious that the musicians were determined to

show that British orchestral players are the equal, or superior, to any in the world. After Bizet, Mozart, Sir Geraint Evans gave his familiar, much-admired, interpretation of Leporello's Catalogue Aria from *Don Giovanni*.

The Prelude to Act I of Verdi's *La traviata* drew attention to the tonal refinement that the Orchestra's strings can command while three Puccini excerpts demonstrated their warm-hearted approach to that composer. Katia Ricciarelli's account of "Vissi d'arte" conveyed the dedication of Tosca to art and love, while Jose Carreras, in "E lucevan le stelle," recalled with passion those kisses that Cavardossi and Tosca had shared.

After the interval Colin Davis further raised the temperature with a tumultuous rendering of the Prelude to Act III of *Lohengrin*. Then, temporarily for-

saking Wagner, we enjoyed some more Mozart: Robert Lloyd brought deep humanity and reason; tone to Sarastro's "In diesen heiligen Hallen" from *Die Zauberflöte*; Lillian Watson introduced a light-hearted note with "In uomini, in soldati," Despinas's unflattering view of men, especially soldiers, from *Così fan tutti*; and Stuart Burrows made us share Tamino's wonder at Pamina's beauty, to "Die Bildnis ist bezaubernd schön," also from *Die Zauberflöte*.

Finally, back to Wagner: after Sir Colin had conducted a tension-filled performance of the Prelude to *Tristan und Isolde*, Jessye Norman appeared to sing the Liebestod. Her majestic demeanour and total commitment to the music at once lifted her interpretation on to the rarified plane where only the greatest art flourishes.

ELIZABETH FORBES

CRICKET BY TREVOR BAILEY

Rain may have saved England

RAIN HAS ALMOST certainly saved England from a crushing defeat at Lords. Rain prevented any play on Saturday at Old Trafford, having reduced it on Friday.

If it had not been for the weather, West Indies may have been poised to win the Third Test. Now, with only two days remaining, England have a reasonable chance of avoiding defeat.

England's batsmen, I hope, will do better in their second innings. Only Rose and Gattling performed creditably in the first.

The tourists, with three wickets standing, enjoy a lead of 79. This may not sound much until it is remembered that England were shot out for 150. Although there is a considerable gap in ability between the teams, this is reduced when the match is fought on a pitch, where the bounce is not trustworthy and the bowlers are able to obtain movement off the seam.

Apart from Richards, who is in a higher class than any other player in either eleven, the West Indies were struggling to reach 210. If Bob Willis, the England fast bowler, had bowled as well as did in the first two

tests, they would have been pushed to make 175. He was systematically annihilated by Richards. Later, he was savaged by Lloyd to such an extent that his 14 overs—despite field placings more akin to the final stages of a limited-over game than a test match—cost an incredible 99 runs.

On a perfect batting wicket those dreadful figures would not be hard to explain. But in conditions where the inexperienced, though impressive, Dilley captured three for 35 in 20 overs, and Botham took three for 45, they do not make sense.

It raises a worrying question. If Willis can be dealt with so ruthlessly in this country, there must be doubts how effective he will be in the Caribbean, where the pitches are easier, the weather better, and the grounds harder.

If Willis's performance came as an unexpected setback, Brian Rose's batting provided a welcome bonus. This tall left-hander, with a pleasing stance and style, demonstrated how to take runs off the West Indian pace bowlers.

Like most left-handers, Rose is extremely proficient at slot-

ting the ball away off his legs and steering it down through the guile. He has always possessed an impressive front-foot off-drive, but what surprised and delighted everybody apart from Somerset followers who know his style—was the power and precision of his square-cutting.

On this showing he looked the right person to take over from Geoff Boycott as Gooch's partner, when the selectors decide, as eventually they must, that Boycott has reached the end of his long, and distinguished, international career.

One gains the impression, not surprisingly, that the Yorkshire shireman, despite his technique and concentration, is having problems coping with this non-stop pace assault, and especially in negotiating the short, lifting ball.

There are many reasons why West Indies are undisputed world champions, and why, since the Second World War, a tiny island like Barbados should have produced more world-class cricketers than the United Kingdom.

Cricket is the No. 1 sport in the Caribbean. It provides an

economic and social escape route. The climate is ideal, and the seasons are long. It is comparatively easy to produce fast pitches—with Trinidad perhaps the exception—and the people are naturally athletic.

Against these advantages are a shortage of grounds, money and equipment, and, until recently, a smaler game with no professional coaches. Nevertheless, Barbados has produced Weekes, Worrell, and Walcott, Sobers, Hall, Griffith, and Nurse, to name but a few.

Gary Sobers has always said that he owes a lot to playing soft ball cricket as a small boy. No cricket takes place in many of the primary schools of this country, because of lack of space and facilities, the cost of equipment, and the time factor. In addition, the game is no fun on a bad pitch with a hard ball, and often discourages boys.

In an effort to raise the standard and increase the interest, at an early stage, Wrigley's, with the support of the National Cricket Association and English Schools' Cricket Association, is to run a tournament for primary schools of soft-ball cricket in 1981.

TENNIS BY JOHN BARRETT

More than one type of inspiration

THE THOUGHT occurred, appropriately, while attending the Eucharist service on Wimbledon's Centre Court yesterday—the climax of the jubilee celebrations marking the foundation of the diocese of Southwark in 1905.

It was a unique and joyous occasion, attended by some 12,000 worshippers from the dozens of parishes in the diocese. The excellent Tiffin School band plus Derek Moores' electronic organ, resplendent together in the paval box and surrounded by the massed choirs from 25 churches, plus the Epiphany Dancers, who sat behind the green tarpaulin at the court-side, added to the festive occasion.

The Bishop of Southwark, the Right Rev. Mervyn Stockwood, had taken as the theme for his sermon the determination, dedication and belief of Abraham, Jacob and Moses in seeking the promised land. It was up to each one of us, he said, to seek in his own way.

The bishop addressed us from a court-side lectern that stood where the ballboys usually kneel, opposite the umpire's chair, during the championships.

Not a dozen yards away, eight days earlier, Bjorn Borg had sunk to his knees and turned his eyes heavenwards in gratitude for being delivered from the "savage onslaught" of John McEnroe in a final that was as heroic as it was exciting.

It struck me that Borg is the supreme example of self-help and rugged individualism, who had reached the promised land of tennis immortality not by the conventional route of orthodox strokes and textbook training, but by ambition, dedication, and a conviction that what he did naturally was right for him.

The latest Borg book, published last month, throws an interesting light upon the role of the coach, and reveals an altogether warmer, amusing, and more intelligent being than the expressionless athlete we are used to watching.

"Bjorn Borg—My Life and Game," as told to Gene Scott (Sidwick and Jackson, 168 pp., £5.95) is an intriguing mixture of Borg on Borg; Scott on Borg; McEnroe, Connors, Nastase, Gerulaitis, etc., on Borg; and Borg on the same rivals. It is at its best when the master explains his winning philosophy. It is delightfully simple. "My

game is based on patience, cool attack."

The club player, struggling to interpret his coach's instructions, will gain great comfort from Borg's attitude to orthodoxy, which can best be summed up in two words: Forget It.

"I believe tennis is a game of instinct and common sense, rather than proper grips and tedious tips Once basic guidelines have been laid down and the fundamentals have been etched on a beginner's mind by constant practice, progress from there is a state of mind, rather than a state of form."

This may be all right if you have been blessed with a slow-heating heart, an athletic frame, nerves of steel, the reflexes of a jungle tiger, and a mind that grips every opportunity that presents itself, like a steel trap. Few mortals are so blessed. But there are other roads to success.

This was illustrated by the men's doubles final, played on Court One because of the pressure on the Centre Court, and won by Peter McNamara and Paul McNamee against Gottfried and Ramirez.

McNamee had been on the point of giving up the game last

November. To desperation, he sought the help and advice of that old fox, Harry Hopman, in Florida.

Working on and off court for ten hours a day, he spent two months at the Bardmoor Club, developing an entirely new stroke—a double-handed backhand.

His first major success came in Paris last May, when he brought down McEnroe. The way his new-found confidence added a new dimension to the new shot was revealing, too. I am quite sure, too, that the devotion and determination McNamee has shown to reach a higher plane would win the bishop's wholehearted approval.

Stately garden plan

THE Duke of Devonshire's Chaworth Estate in Derbyshire is planning to go into the garden centre business.

The Peat Park Planning Board's control committee has approved the proposal, and they have been told that the garden centre is an extension of commercial activity within Chaworth Park.

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A display of independence

THE LAST few weeks have seen France reasserting the "independence" of its foreign and defence policies. President Valéry Giscard d'Estaing has taken a number of actions that have disconcerted his allies, particularly those of Anglo-Saxon origin.

In May there was the secretly planned trip to Warsaw for talks with President Brezhnev, and more recently the announcement that France plans to go ahead on its own with the development of a neutron bomb—a weapon that the other NATO members have more or less reluctantly renounced. The French President has effortlessly stepped in and out of line with the rest of the West on Afghanistan and was the first Western leader to come out openly in favour of self-determination for the Palestinians. He has enraged his southern Iberian neighbours by fairly clearly suggesting that Spanish and Portuguese EEC membership may have to be delayed.

There is one immediately obvious common element in these manifestations of French individualism. President Giscard wants to be re-elected next spring, and however negligible the threat to him may now seem, whether from Right or Left, he wants to cover his flanks. The Gaullists and Communists have responded to French farmers' anxieties by opposing Spain's EEC entry bid. President Giscard, while reassuring Madrid that he does not really mean to postpone Spanish membership, is trying to give the opposite impression to the rural voters of Southern France who could be important to him in a close run off in the second round of the election. At the same time, by denouncing his good relations with the Soviet Union, he is seeking to discourage Communist voters from supporting a rival Socialist candidate in the second round.

It is not, however, quite as simple as that. Short term electoral considerations there may be, but the need to claim this sort of foreign policy ground will persist as long as President Giscard seeks to govern France from the centre. General de Gaulle may have given his name to a nationalistic political movement, but he did not invent the sentiments behind it. These sentiments are still there,

and nobody who seeks to lead France can afford to ignore them—that is why so many French politicians are constantly trying to claim the General's mantle. The main point is to establish that France is beholden to no one and free to play an independent role between the two super powers.

It is, of course, particularly important for President Giscard to stress this point at a time of East-West tension. His problem is that he knows France belongs in the West and wants it to stay there. He wants France to be involved, as it has been in the private four-power Western consultations that have followed the Soviet invasion of Afghanistan. But he cannot give the impression that France is moving back towards fuller participation in a U.S.-dominated Atlantic Alliance. A show of public independence thus becomes even more necessary.

Influence

But it is not just France's interests that President Giscard sees himself as promoting—although obviously come first. If there is one clear thread that runs throughout his foreign policy it is the need to restore Europe's influence in the world. This was the dominant theme of his visit to West Germany last week. However much Anglo-Saxons may suspect his motives and dislike his style, they cannot in all honesty dispute his "Europeanism". That may be an unpopular word in Britain, but the British have only themselves to blame if they have allowed France to take the lead in defining what "Europe" means over the past two decades and more.

As last week's Bonn visit has again shown, President Giscard's greatest and most enduring foreign policy success has been the cementing of the Franco-German partnership. Here again, he is showing that he is following in de Gaulle's footsteps, and that is useful in the run-up to next May. But it is vital for all Europeans that France and Germany should be on good terms. At a time of flagging American leadership, there is also a need for greater dynamism in Europe. The Franco-German partnership will not automatically lead Europe in the right direction, if Britain in the right direction. If Britain should try to make it a three-cornered relationship.

Race equality under the law

"I WISH to re-affirm the complete commitment of our Conservative Government under Margaret Thatcher to a society in which all individuals, whatever their age, colour or creed, have equal rights, responsibilities and opportunities." Thus spoke Mr. William Whitelaw, the Home Secretary, last Friday. He went on: "It would be premature to imply that we have already arrived at a racially just society. There is still a long road ahead of us."

'Eruption'

Mr. Whitelaw is right: there is indeed a long road ahead. Just how long was suggested in a speech on the same day by Mr. Enoch Powell in which the former Conservative Minister said that the British people were now resigned to a future catastrophe as a result of the immigration from the New Commonwealth and Pakistan.

"The inhabitants of Pompeii know that Vesuvius is an active volcano, but they believe that there is no alternative but to continue living beneath it until the fatal eruption comes. If the people are not in fact aware, or if the eruption is neither imminent nor probable, Mr. Powell, it seems, is determined to stir the embers. It is a pity that Mr. Whitelaw did not go further. The problem in Britain today is not one of immigration. The great inflows of the late 1950s and 1960s are over, even to the point where as far as the Caribbean is concerned there appears to be a net outflow. The problem is one of relations between the indigenous community and the immigrants who are already here and the immigrants' children, perhaps by now even their grandchildren.

The policy of allowing wide-scale immigration arose from a short-term demand for labour. This may have adversely affected the ability of the economy to become more efficient, and from a colonial past which conferred the rights of citizenship on people who were never expected to want to live in Britain. Certainly the consequences of the policy do not seem to have been fully considered at the time. Mr. Powell was actually Minister of Health when the first major intake of

New Commonwealth nurses and hospital auxiliaries was being actively encouraged.

The fact is, however, and it is only fact that matters, that the immigrants are here. They are citizens along with everybody else. Their children indeed quite frequently know no other country, the Caribbean being almost as foreign to them as the Mediterranean, perhaps more so. As citizens, the only tolerable approach to them is to treat them as equals under the law. If Mr. Powell's forebodings are anything like correct, the question is not how to get rid of the immigrants (and in practice to alienate them still further), but how to help integrate them into British society and to encourage the indigenous population to accept them.

U.S. example

There may be an instructive example in what has happened to the U.S. Not all that many years ago—at the time of Watts, for instance—it was being widely predicted that racial violence was on the increase. In fact, the prophets of conflict have been proved wrong. There was a conscious effort to promote equality under the law and to ease and even reverse discrimination. The result is that the U.S., where the problems were, and are, even more complex, is now streets ahead of Britain in its attitudes towards racial minorities. It is about that kind of example that one would like to hear more from Mr. Whitelaw and from the rest of the Conservative Party. Mrs. Thatcher could help by saying something herself.

Census

There remains one point on which Mr. Powell is right, however suspect his motives. It is absurd that a question about ethnic origins should be withheld from the next British census. It is precisely that willingness to suppress inconvenient facts because some people might exploit them that gives liberalism a bad name. Moreover, it encourages the belief that there is something to hide. The authorities should come clean, establish the information and reinforce the commitment to equality.

Young and jobless in St. Helens

BY RHYS DAVID, NORTHERN CORRESPONDENT

NEARLY 500 young people mostly aged 16-18 but some with university degrees were reported this week to have queued in St. Helens to apply for eight jobs paying £32.50 a week in a teenage boutique.

But St. Helens is by no means the only place in the North with a youth employment problem. In St. Helens, Lancs., unemployment has crept up fast, with a very big increase in the number of 16-18-year-olds who can't find jobs. There are around 2,000 children in each school year-group in this town of 106,000. At present of the 8,000 or so who have left school in the past two years, 1,000 are out of work and another 1,000 are on youth opportunity programmes (YOPs) funded by Manpower Services Commission.

The figures are inflated at present by last month's school leavers but the town's principal careers officer, Mr. Derek Brown, believes he will be lucky if he can find jobs for half of this year's crop.

The prospect for many St. Helens youngsters is enforced idleness and with it boredom and lack of spending power. Some will hope to add to their £25 a fortnight "dole" by going fruit-picking this summer or by doing other odd jobs such as gardening or paper rounds.

"Staying in bed is one way of making the day go faster so I now often don't get up before 10.30 or 11," one lad admits. As

'An old Lancashire town that has always believed in work'

well as wandering round town youths in St. Helens use the facilities at several sports centres and surprisingly several have turned to the rich man's sport of golf. So there is at least the remote possibility that Britain's unemployment crisis might produce another Nicklaus. "You can go on with your own clubs for £1.50 at the municipal golf course," explained one youth whose mother had bought him a second-hand bag of eight clubs for £25.

For a teenager, however, golf remains a pastime for work. "We are an old Lancashire town that has always believed in work... unemployment brings with it the danger that people will lose the tradition of regular attendance and will not be such good employees in the future," Mr. Bryan Preston, St. Helens' Jobcentre manager, argues. "Employers have already started asking for people of 35 plus because they are less likely to have gone through the trauma of unemployment."

Apprentice intake is also being sharply reduced. "There were 255 apprenticeships in engineering and electrical engineering in 1974 but only 133 last year. This year it is likely to be down to 120. In construction the figure has fallen from 90 in 1974 to 55 last year and a probable 40 this year," Mr. Brown says. The offer finds himself trapped in youth employment's Catch 22.

If he cannot get a job before he is 18 an employer will not take him on then because he is untrained, and yet would still have to be paid an adult rate. Other jobs, for example in transport, are not open to youths under 18. Seventeen year olds who have stayed in school are sometimes at a disadvantage compared with 16 year olds who can be employed at lower rates and who leave school earlier before school examinations. The meagre pool at the expense of others who have gone on to get CSE or GCE passes.

Mr. Brown explained the broad picture: "Between March and May we canvassed 700 firms for vacancies for leavers and turned up 19, though there were many companies which said they would employ more if they could afford to. Automation in bottle glass plants is thought to have reduced the number of basic operative jobs suitable for boys such as packing, by 600, and the clothing industry which usually takes on girl machinists has virtually stopped recruiting. Hopes that the town's Lagrange Shopping Precinct would provide new opportunities for shop and store assistant jobs have also been only partially realised. The shops are dependent on the wealth of the town and on a typical day this week customers were few and far between."

Instead, all around the centre there were bands of youths, for many of whom the introduction to the adult world has been a sadly disillusioning experience. At 16, 17 and 18 few of them are doing anything but idly, scruffy or ready to blame the capitalist system for all their problems. Most are anxious to take factory or any other type of work.

Wayne, aged 16, for example has been trying to get a job to train as a joiner but the Careers Office has been unable to find any vacancies, the Job Centre only deals with adult vacancies and his calls on companies around the town in the hope of finding an opening have proved fruitless. "It is a waste of time looking in the newspapers as there are no jobs on offer," he claims. The local weekly, St. Helens Reporter, this week in fact has only one page of jobs and barely any are for young people.

For Wayne, as for many other young people, family experience now also serves to illustrate the lack of security even when a job has been obtained. One brother works at Pilkingtons—the giant glass company, Pilkington Brothers, is known—another has signed on again with the Royal Air Force after completing six years. Another who is a painter with the council is about to be laid off. One sister is a part-time policewoman and another has been laid off by a major clothing group. The army is beginning to loom as an option for Wayne, though in the meantime there is also the possibility of going on a work experience programme—one of the YOP's schemes aimed at giving young people a taste of factory work for up to six months.

Another lad, Kenneth, has

not secured even the temporary respite provided by work experience. The operative jobs he went for, one of them "just carrying glass about" attracted hundreds of applicants.

Barry will shortly go on work experience as a gardener after failing to land the trainee joiner job he had wanted—first choice with many boys because of woodwork at school. In the meantime he digs his own and a neighbour's garden and has set his sights on possibly going to agricultural college.

For girls the problem is no easier. Elaine, aged 17, left school last year after 40 letters inquiring about jobs had drawn a blank, only to find it even more difficult this year. "With three GCE 'O' levels, three CSE and a typewriting qualification I was hoping to get a secretarial job but I am now prepared to take anything," she says. Her daily routine is a call either personally or by

telephone to the Careers Office but even when she has had interviews the result has been the same. "An estate agent offering a temporary work experience place showed me a pile of letters several inches deep from applicants."

Elaine is widening her search beyond St. Helens and has an interview next week in Bootle near Liverpool with a civil service department. But at the sort of wages a junior can obtain transport costs generally rule out travelling—one solicitor who interviewed Elaine was

offering £22 a week.

In St. Helens with its tradition of self-help there remains a sense of the whole community being involved in trying to overcome the problems: strong support and some new ideas have come from local industry. The two-year-old St. Helens Trust acts as a channel for businessmen setting up in the town to gain access to a wide range of expertise and advice from established big companies. Some 160 small firms have been helped by the scheme, most of which hope to expand their

labour forces.

Another new idea emanating from Pilkington but now embraced by other groups as well—is Index, the aim of which is to provide young people with a much broader preparation for a life's work in industry. The scheme, if it wins Manpower Services Commission backing and funds, will take possibly 100 young people a year for a two year period, train them in at least two different groups of jobs, and give them extended work experience within in-

SWITCH FROM STUDENT GRANTS TO LOANS • BY CEDRIC SANDFORD

A popular spending cut?

BRITAIN is almost alone among western nations in supporting undergraduates solely by means of grants. On the Continent and in America typical support is a mixture of grants and loans. The case for substituting loans for grants, wholly or partially, has been made by academics of all political persuasions.

The most telling argument is one of equity. Those who receive higher education are the fortunate few who are intellectually well-endowed. They mainly come from middle and upper class homes and nearly all will finish up with lifetime incomes which will put them in the top 10 per cent bracket. Thus the general effect of the present system, of finance for higher education, is to transfer purchasing power from the less well off to the better off.

The Department of Education and Science has several times examined the possibility of a switch to loans. The stumbling blocks have been ignorance about the political effects and a lack of political will.

The unique feature of a recent research study undertaken at the Centre for Fiscal Studies at Bath University is a survey of opinion of electors, students and parents about how students should be financed. The survey of the general public was carried out by NOP.

The survey showed a lack of support for the present means-tested grant scheme. When presented with four options less than one quarter of the general public favoured the present scheme, while the proportion of students favouring it was lower still, and of parents only 30 per cent. Moreover, 58 per cent of free comments from students and 43 per cent from parents were critical of the means-tested grant.

Of course, any existing

scheme is likely to incur more criticism than a blueprint, because people have come to appreciate all the rubra of any existing system. But this does not sufficiently account for the volume of adverse comment on the present scheme, for only a small proportion focused on details. While other causes of dissatisfaction were not unimportant, most criticism centred on two features:

● Resentment by students legally of age at their dependence on their parents; and resentment of parents that they had to finance them.

● The failure of many parents to provide the full parental contribution expected of them by the scheme.

The essential point of these criticisms is that they cannot be remedied within the framework of a means-tested grant scheme.

It is not surprising that the most popular alternative for both students and parents was the unconditional non-means-tested grant. The real surprise was that support for this option came from only 49 per cent of students (52 per cent of the "don't know" are eliminated) and 36 per cent of parents. Of the general public, on the other hand, only 20 per cent favoured unconditional grants and they were disproportionately weighted by the students and parents of students in the general population.

There can indeed be little case for unconditional grants which simply transfer more income to the better off. With the Government now seeking public expenditure cuts even in directions which hit the poorest, it is certainly not a serious option.

The public quite clearly prefers that students' living costs should be financed by loans. Faced with four options 36 per

cent preferred a loan scheme, the next most favoured option, the means-tested grant, came well behind with only 23 per cent support.

What of the arguments against loans? Most objections raised against them in the past disappear given an appropriate scheme. That favoured abroad and by those surveyed was some form of scheme which related repayment to income. Most of the public felt that no repayment should be required unless the former students were in

Only 49 per cent of students favoured unconditional grants

full-time employment and a large minority considered that repayments should not be required until the former student was receiving an above-average income. Parents supported these alternatives about equally.

The public divided almost equally on whether interest should be charged; those who supported charging—opted strongly for a low rate. In the view of the Bath research team an appropriate method would be to charge an interest rate equal to the rate of inflation as measured by the Retail Price Index. In inflationary years this would mean a high nominal rate, but the real rate of interest would always be zero. At least the taxpayers would recover the real value of the loan.

Such provisions should dispose of arguments about burdening young people with debt and creating "negative dowries". They should also go far to calm fears that substituting loans for grants might discourage students, especially those from poor families, from proceeding to higher education.

Here, then, would seem to be the answer to a maiden's, or at least Mrs. Thatcher's, prayer: a way of cutting public expenditure which will not damage the service, which reduces inequality in the community and which might even be electorally popular.

"Grants or Loans? A Survey of Opinion, Alan Lewis, Cedric Sandford and Norman Thompson, Institute of Economic Affairs, £2.00. The authors gratefully acknowledge the financial support provided for the research by the Harold Winch Foundation.

MEN AND MATTERS

Better off with the Brothers

A tradition established by the Attlee Government when the coalmines were nationalised was broken this week. For the first time, the National Coal Board member for industrial relations will come from the management side of the fence. He is James Cowan, the 60-year-old director for Scotland.

Cowan, a mining engineer, has been in the industry most of his life—and like all of his kind has had to spend a statutory training spell on the colface. But his background is quite different to that of his predecessors.

He takes over from Clifford Shepard, formerly general secretary of the NUM's white-collar section, who has held the job for 11 years. The first man in the seat was Eddy Edwards, who had been president of the Miners' Federation of Great Britain. He was followed by another miner, William Sales, who was deeply involved with the Workers' Educational Association. Then came James Crawford, president of the Boot and shoe workers, and then Sir

William Webber, general secretary of the railway clerks.

Since all these former poachers, as the maxim has it, have been converted to gamekeepers, why the break with tradition? One reason, I have ascertained, is that the man first approached to take on the task, Ken Toon, from the South Derbyshire branch of the National Union of Mineworkers, found he could not afford the move—despite the carrot of a salary around £22,000 a year.

Unhappy note

The acrimonious overspill from the Moscow Olympics row, seeping into every corner of our lives, has rather dampened certain spirits at the City of London Festival High spot of the celebrations this week—the bi-annual Karl Flesch competition for violinists for which the City Corporation takes pains to invite the classiest judges available.

This time, however, out of respect for the Government's feelings, it has seen fit not to invite Vladimir Spivakov, principal conductor of the Moscow Virtuosi. The absent friend, however, has taken steps to make his spiritual presence felt. A cake has been delivered from Spivakov—a nibble for all the fiddlers, the organisers hope—with the sad inscription: "My thoughts are with you."

Not so dusty

Sitting as they do within shock-wave range of the San Andreas fault, arguably the most dangerous rift in the earth's surface, I should have thought that the inhabitants of California's Silicon Valley were well used to living dangerously.

National Semiconductor of Santa Clara, however, seems to feel that one natural hazard in the company's backyard is quite enough. To be on the safe side it has cancelled its plans to build a \$70m silicon chip factory in Vancouver, Washington State "due to uncertainties created by the current activity

of Mount St. Helens."

Back at the scene of the action, where the misbehaving mountain is still rumbling and much of industry is still closing on volcanic ash, the computer and chip companies already based within fallout range accuse NS of faint-heartedness.

Even though the merest speck of dust can wreak havoc in a micro-circuit factory, they boast that their all-absorbing air filtering systems soaked up everything the volcano could disgorge and that production continued on unchecked. Their only gripe is that drifts of dust and ash on roads and railways cut them off from their clamouring customers for two days.

Sailor beware

Surely the French have rocked the boat too far with their latest attack on Britain. Not content with scuttling our lamb shipments they have now torpedoed that great British institution, the gentlemen's agreement.

With a nifty piece of legal navigation, our Gallic cousins have traced a British law, the Merchant Shipping Act of 1894, which decrees that any vessel sailing outwards which is not a ship, a process which costs up to £180. However, since the British do not trouble to enforce this particular requirement on weekend sailors and cruises, the French have gallantly decided that they will do the job for us.

From the end of the year British boats will not be allowed in French waters or ports without the necessary documents. The Department of Trade, somewhat unimpressed by this curious turn of events, accepts that boats venturing beyond our waters are strictly obliged to follow the law. But officials say, a gentlemen's agreement has evolved under which most European countries, including France, have to date accepted international travel documents issued by the Royal Yachting Association, which cost as little as £5.

The RYA, pursuing its members' interests (not forgetting its own financial cause) has lobbied the DoT to no avail. "The Government says it does not see how it can help," says spokesman Gordon Fairley. "We would need an Act of Parliament to amend the law and the Government has not got time."

"We are facing a situation like that over English lamb," he adds gloomily. "Still our German friends are in the same boat and so we may find allies over there."

Printing money

The managing director of Debbrett's of all people, has ruffled a few pages in the publishing world with the suggestion that hardback books must carry advertisements. "If the reading public is not prepared to take advertisements," says Harold Brooks-Baker, "then I am afraid bookshops and publishers will disappear—except for paperback." And even the paperback, he warns, is in danger of pricing itself out of the market.

In his own up-market publication, Debbrett's Peerage, advertising this year occupies 400 pages—the biggest spread since the practice began in the 1860s. Without it, its distinguished readership would have to pay £150 a copy instead of £45. "It is nothing new. Victorian books all had advertisements. Today they are one of the charms of old books."

Distinctly uncharmed by the notion, however, is the chief executive of Penguin Books Peter Mayer. "There are 50 other avenues," he tells me flatly, which must be explored before publishers tread that particular path.

Can you insure against it, I pondered, on spotting this graffiti in Lloyd's of London: "Too much self-regulation can make you blind."

Observer

Congratulations to Vera Lynn, the Nightingale of Berkeley Square.



Reagan must win the centre ground

By JUREK MARTIN in Detroit

FOR ANY politician, happiness is a divided opinion. As Ronald Reagan surveys his kingdom in the shape of the Republican Party's national convention in Detroit this week, he has every reason to be content. If he looks back, he will be able to pick out the men—Baker, Bush, Connally, Crane, Dole—who competed, but failed to deny him his nomination.

If he looks ahead, which he must, he sees satisfying disparity between Carter and Kennedy for the Democratic prize and between (presumably) Carter and Anderson in the general election proper.

On his side of the aisle, the prospect in view is of perfect unity. Republicans have gathered here to crown Ronald Reagan. Above all in 1980, Republicans small victory. All week they will pray for the blood of Jimmy Carter, secure in their belief that all the issues that really count this year are

Above all in 1980, the Republicans smell victory

on their side. The economy is in recession, foreign policy troubles compound each other, the Government is more unpopular than ever and the President himself, whatever his sometimes admired personal qualities, is widely perceived as somehow not being up to the job.

A conservative tide, the polls and pundits declare, is sweeping the country and the Republican faithful are convinced that Ronald Reagan can ride the crest of it to the White House.

There is, however, one potential fly in this ointment and it is the Republican candidate himself. It must never be for-

gotten that the key to winning presidential elections—in the U.S. is to hold the centre ground. For all the apparent volatility and unpredictability of American politics, the centre, in reality, shifts in inches not miles; for all the patent collapse of party disciplines in the country, people have a habit of voting traditionally and conventionally on election day.

In their present euphoria, Republicans, especially the conservatives, tend to forget they are still very much the minority party. Thus the premise of any Democratic campaign against Mr. Reagan must be to convince the voting public that the Republican nominee is too narrow, too partial, too sectional a candidate to have legitimate claim to the centre ground. Put another way, if President Carter (or, come to that, Senator Kennedy) remains the central issue in the autumn campaign, Ronald Reagan probably wins. But if the tables are turned, then the outcome could be much less certain than it sometimes appears today.

It is in this context that Ronald Reagan must be assessed. The question is whether the personal qualities and medicine he is offering the American public are palatable for the times. This overall rubric covers such issues as what sort of people he would bring into government if he became President and whether he is enough of a politician to implement the policies he proposes.

A clear strength is his reputation for consistency. On his own admission, his views have changed little in the last 30 years. Oddly enough, the reputation for unwavering consistency holds in spite of the fact that in his eight years as Governor of California (from 1966 to 1974) he was inclined to pragmatism. His own recollection of his tenure, which he regularly cites as a



A confident Ronald Reagan, with his wife Nancy, on the campaign trail.

prime qualification for the presidency, are somewhat selective. He likes to say he brought an unruly liberal educational establishment to heel, cut the number of welfare recipients and returned billions of dollars from the State budget surplus to the taxpayers.

The record does not quite bear this out. State taxes increased during his tenure by as much as his refunds. The State budget more than doubled and his welfare reform package, while an undoubted success, did not cut the numbers on relief by as much as he now claims. On the other hand, he did not so much purify the State educational system as genuinely enhance it

through a series of good appointments of non-doctrinaire professionals.

One trait of his governorship still holds today, unlike President Carter, who has a compulsive need to put a finger in every pie, Mr. Reagan tended to work a nice-to-five day. He did not involve himself in the minutiae of policy, preferring to delegate authority while retaining the right of final judgment, but being difficult to budger once his mind was made up. His critics claim this meant he was genuinely ignorant about many important issues and, in effect, ceded authority to the then powerful State legislature. But the Democrats who ran the State Parliament during Reagan's governorship

conceded that he was open to argument and compromise.

However, Sacramento is to Washington as Jimmy Carter's peanut warehouse is to General Motors, metaphorically speaking. Mr. Reagan says that, as president, he would inuocin in the manner of a corporate board chairman, surrounded by able underlings running all the divisions. But while it is reckoned that to California he delegates wisely, his present campaign has raised questions as to whether he still knows how to run a smooth operation up to the demands of the Presidency.

Like most politicians, Mr. Reagan has his own clan with whom he feels comfortable. His California "mafia" consists of a small group of old business friends, conservative, like himself, who function as Bert Lance once did for Jimmy Carter or as "Bebe" Rebozo did for Richard Nixon, and a younger group personally loyal to him—Ed Weese, Lynn Nofziger, Richard Wirthlin—may be seen as the Californian counterparts to Jody Powell and Hamilton Jordan.

He has some ideas men on board too, Martin Anderson from Stanford University, on domestic policy, and Richard Allen from Georgetown University in Washington, D.C., a former aide to Henry Kissinger, on foreign affairs.

Both tough, but not unbending, young conservatives. Mrs. Nancy Reagan, a formidable behind-the-scenes figure, is reckoned to be both tough and yielding.

Their principal task is to keep the candidate happy in body and soul and to get him elected. But if this criterion is reasonably tightly knit, no such apparent harmony exists in the more substantive areas of policy among those who advise Mr. Reagan now and who are bidding to become members of an Reagan administration. In both economic and foreign affairs,

some unruly public battles have been waged for the candidate's ear and mind between the right-wing ideologues and the more traditional, if right-of-centre, Republican faithful.

The latter, led by Mr. George Schultz, a former Treasury secretary, and Mr. Alan Greenspan, President Ford's economic adviser, seem to have triumphed on the economic field on the tax cut issue over the hardliners of the Milton Friedman-Arthur Laffer school (these two can be fairly joined). By cunningly jumping into the driver's seat on the tax handwagon, Mr. Reagan has disguised the fact that he has retreated, if not irrevocably, from his earlier advocacy of more swinging tax reductions.

On foreign policy, too, Mr. Reagan avoided, in last week's party platform committee hearings, being lumbered with some of the more extreme demands of the far Right—such as abrogation of the Panama Canal treaties or the restoration of full diplomatic relations with Taiwan. Even in the political sphere, his recent addition to the upper echelons of his campaign staff of Mr. William Timmons, a closer adviser to President Ford, suggests that at least he will be receiving balanced, expert advice.

But, overall, the platform adopted last week amply demonstrates the ascendancy of the conservative wing, particularly on social, domestic issues. It is not correctly said that a platform is not really made until the final vote of the delegates is taken. It is quickly forgotten in the heat of a campaign. But this manifesto, forged to Mr. Reagan's liking, was nakedly designed to placate the Right at the expense of the moderates. By toning down some of the recommendations of the former, under the inevitable leadership of Senator Jesse Helms, of North Carolina, Mr. Reagan may have given the appearance of relative moderation, but this was a tactic designed for

internal party consumption. The issues are numerous: they include effective Republican repudiation of the equal rights amendment for women, support for a constitutional amendment to ban abortions; the nomination of federal judges known for "pro-life" positions; watering down of gun control laws, opposition to the husing of schoolchildren, all of them meat-and-potatoes items. Defence expenditure is to be increased and new weapons systems developed with the goal

Reagan's campaign has raised doubts about his capability

of restoring American nuclear superiority; energy prices will be completely free of federal control; and there will be a full resumption of grain sales to the Soviet Union; but a sending back to Moscow of the Strategic Arms Limitation Agreement. Other items are deep, but unspecified tax cuts, a commitment (though not absolutely binding) to balance the Federal budget, a dismantling of federal regulation over business, and a heavy commitment to nuclear power.

All of which leaves one item of unfinished business for Detroit, the selection of a vice-presidential running mate. Perhaps even more than the party platform, this is seen as a litmus test of Mr. Reagan's willingness to broaden the appeal of the party. His personal preferences appear to be for either Senator Paul Laxalt of Nevada, who heads his campaign committee, or Congressman Jack Kemp, the young New York Congressman who, before he became a leading tax cut advocate on Capitol Hill, was best known as a professional football player. Both provide ideological compatibility, with

Mr. Kemp offering regional balance and youth as well.

Amongst the other possibilities, Senator Richard Lugar of Indiana has few enemies, but is hardly well known; nor is Congressman Guy Vander Jagt from Michigan. Mr. George Bush is considered the safest choice, but Mr. Reagan is said to be unconvinced of his fibre. Senator Baker or Mr. Donald Rumsfeld, ex-Defence Secretary and NATO ambassador, might placate the moderates, but turn off the Right. It is probably true to say that Mr. Reagan would be better off running on his own.

In effect, this is what he will be doing in any case. What has happened so far is that Mr. Reagan has won his party's nomination because he has shown himself to be precisely what everyone has known him to be for years, a true conservative, at a time when conservatives control the Republican Party. He has not really felt the need to explain his philosophy in detail, to enunciate arguments beyond the effective and glib, one-liners to which he is prone.

But general elections normally demand more of a presidential aspirant. He will have to carry his arguments to more diverse audiences, not all as responsive as those he has encountered so far. Not attending the convention of the National Association for the Advancement of Coloured People (NAACP) two weeks ago in Miami was a classic example of a missed opportunity.

If he fails this test, or if, lulled by polls which will surely show him widening his lead in the summer, he becomes complacent in his conservative clothes, then the happy vista of smiling faces he will survey this week in Detroit may wear frowns in November. Jimmy Carter can lose this presidential election, but so can Ronald Reagan.

Letters to the Editor

Energy charges and steel

From the Commercial Director Midlands Electricity Board.

Sir—I refer to Mr. Cooper's letter of July 8 on energy charges and steel.

Cooper Industries is a valued customer of ours and Midlands Electricity takes no pleasure in increasing electricity charges to it or anyone else. Tariffs were increased on April 1 and, regrettably, there will be a further increase on August 1. These increases are required to meet the increasing costs to Electricity Boards, principally fuel. Our job is to sell electricity against strong competition and increasing costs outside our control makes the task more difficult.

Over 60 per cent of the price of electricity to large customers is fuel, and therefore substantial increases in the cost of fuel used in generating electricity have to be largely reflected in the price to our customers. Latest figures show that in the month of May, increases in the cost of coal, oil and gas turbine fuels have been 27 per cent, 72 per cent and 38 per cent compared with May last year, with the prospect of further increases to come.

The MEB, in common with all other area Boards, has taken steps to increase operational efficiency and so moderate the level of tariff increases. In the last 10 years the number of MEB customers has increased by more than 13 per cent and the number of electricity units sold has risen by more than 20 per cent. At the same time the number of MEB employees has been reduced by more than 25 per cent. In my view other industries would have difficulty in matching this productivity performance.

We have a great deal of sympathy for our customers, many of whom are feeling the effects of the economic recession, but it is not possible to reduce our charges which are largely determined by basic fuel costs. It is extremely difficult to make international comparisons of electricity prices because of differences in tariff structures and the present artificially high level of the pound. Perhaps the best route to lower prices would be to moderate the cost of basic fuel to the electricity supply industry.

P. P. Hartley, Midlands Electricity, Mucklow Hill, Halesowen, West Midlands.

Busy City lines

From the Managing Director, Lynch Garbett Commodities.

Sir—As a small company which was forced to relocate its offices two years ago we found Jason Crisp's examination of city telecommunications problems (July 8) very accurate in detail and graphically representative of the problems small businesses face when new or additional circuits are required.

Direct tied line circuits are the life lines of the commodity world and I can confirm it took up to 12 months for us to secure these for contact with offices only three or four blocks away. This situation put us close to the Receiver's hands and was particularly irksome when I knew that similar lines can be installed in New York in a matter of days rather than months.

It is comforting to learn that a qualified troubleshooter such as Dr. Troughton has arrived but surely is not the problem one of monopoly by the Post Office? Efficiency can be reached by free competition only and unless we move in that direction then we shall always be leagues behind other developed financial centres.

P. Lynch-Garbett, 9 Harp Lane, Lower Thames Street, EC3.

Air Mail delay

From Sir Patrick McCall.

Sir—May I draw attention to the vagaries of the air mail post. Two letters one posted in Calgary, Canada June 27 arrives here July 5, the other posted June 27 arrives July 8. The first does not include the post code the second does. The air travel time is about eight hours from Calgary and about six from Toronto.

Where do these letters sit around all the other hours? Sir Patrick McCall, Auchenhay Lodge, Corsock, by Castle Douglas, Scotland.

Local authority grants

From Dr. D. King.

Sir—Mr. T. Travers (July 10) criticises me for giving some support to the proposed block grant for local authorities. His main objections to the proposal are that "more spending by an authority" will still increase grant receipts and that "the scope for manipulation of local decisions by Whitehall" will be increased. The chief advantage of making an area's grant receipt more dependent on its poundage (and so indirectly on its expenditure) is to give authorities greater freedom to determine their own expenditure levels. This prin-

Unemployment benefit

From Mr. R. Griffiths.

Sir—Mr. Eric Short is being less than fair, and rather simplistic, in his support (June 30) of Government proposals to reduce or remove entitlement to unemployment benefit from those who have retired early on a company pension.

As he says, the employee has paid his national insurance contributions during his working life, which entitles him to unemployment benefit when he is genuinely unemployed and unable to get work. Equally, he has contributed both indirectly, through his employer's contributions and usually directly through his own, to his company pension fund, and any pension may be drawn before normal retirement age will be based on his membership of that fund and on the benefits allowed by it and by the company in the event of redundancy or any other form of premature retirement.

Mr. Short questions the difference between a person receiving income from a job and someone receiving pension from a previous job. I submit that there is a very major difference, in three respects: in the level of income—and Mr. Short refers to two-thirds of final salary—whereas the majority of early retirement pensions will be well below this level; in the ability of the employee at work to go on building future pension rights so as to achieve two-thirds pension at normal retirement age; and in the ability of the employee to gear his future pension rights to inflation through regular income reviews, whereas few early retirement pensions (except for civil servants) will be index-linked.

Mr. Short suggests that the company might pay a supplement to equal state pension, but this is to ask industry to pay again for benefits which have already been "purchased" by the company and the employee through national insurance contributions. Would it not be far more equitable to let the unemployed and early retired employee receive both the pension and the state benefit to which he is entitled, but to pay income tax on the totality of this in-

Expressing volumes

From Mr. E. Banchemo.

Sir—We are all familiar with the growth graph which by being expressed volumetrically (say... different sized sheep) conveys the impression to the reader that the growth is actually greater i.e. x5 than is really the case.

I refer to page 7 of July 10: if you scale down the British Rail ad you will notice that in the case of Italian Railways the small print indicates 32 per cent while the graph manages to convey the impression of about 10 per cent (12.38 per cent in fact) while in the case of Swedish Railways the small print states 53.1 per cent but visually it reads 95 per cent (96.45 per cent to be precise).

This is by no means an isolated case and if done inadvertently is a shoddy presentation to say the least. The doubt lingers however that these are deliberate attempts to distort the figures to emphasise a point the advertiser wishes to make.

Few people have time to scale down graphs (or read the small print) or even less to calculate the true dimensions of the original drawing which in this case must be a few inches either way, and the first and lasting impression is that conveyed by the advertisement as a whole.

This aspect is obviously relied upon by the advertiser, and tends to strengthen one's belief in a deliberate subtle attempt to misrepresent the true facts.

Emilio C. Banchemo, The Studio, 10th Elizabeth Meas, NW3.

Business names registry

From Mr. S. Davis.

Sir—Once again the registry of business names is under threat of closure, but this time it would appear that the Government's determination to close this important repository of information will succeed.

We have all been aware of the importance of the registry and it is clear that changes in both the mode of registration and the period of registration need amending.

We are not against change, per se, but we do not want a situation created where the registry is chopped and there is no substitute. There is ample scope for new legislation. The Association of Company Registration Agents presented the draft of a new Business Names Act to the registrar for his consideration over two years ago, which was accepted by him as being a very sound basis for the continued operation of the registry.

The criteria contained in that document hold good today, whereby the registry can be effectively and economically maintained with greatly increased revenue.

It is essential that the old registry must be maintained with all its faults, until such time as new improved legislation is introduced.

Stanley Davis, 15-17 City Road, EC1.

GENERAL

UK: Mr. John Nott, Trade Secretary, meets Mr. Terry Duffy, Amalgamated Union of Engineering Workers' president, and Mr. Moss Evans, Transport and General Workers' Union general secretary, to discuss foreign car imports.

Mr. Roy Jenkins, European Commission president, starts two-day visit to Dundee and Tayside. The Queen attends Royal Tour, Exeter Court.

Sir Peter Sagar, Lord Mayor of London, lunches with chairman and committee of the Overseas Bankers' Club; dines with chairman and directors of Hill Samuel Group.

National Children's Bureau report published on progress to secondary schools.

Royal International Horse Show opens, Wembley (to July 19).

Overseas: Republican Party national convention opens, Detroit (until July 18).

PARLIAMENTARY BUSINESS House of Commons: Debate on the persistent rise in unemployment.

House of Lords: Films Bill, third reading. Employment Bill, third reading.

TENDERS MUST BE LOOED NOT LATER THAN 10.00 A.M. ON THURSDAY, 17th JULY 1980 AT THE BANK OF ENGLAND, NEW ISSUES, WAITING STREET, LONDON. EC4M 3AA OR NOT LATER THAN 3.30 P.M. ON WEDNESDAY, 16th JULY 1980 AT ANY OF THE BRANCHES OF THE BANK OF ENGLAND OR AT THE GLASGOW AGENCY OF THE BANK OF ENGLAND. TENDERS MUST BE IN SEALED ENVELOPES MARKED "EXCHEQUER TENDER".

ISSUE BY TENDER OF £400,000,000

3 per cent EXCHEQUER STOCK, 1983

MINIMUM TENDER PRICE £83.25 PER CENT

PAYABLE IN FULL WITH TENDER

INTEREST PAYABLE HALF-YEARLY ON 21st FEBRUARY AND 21st AUGUST

The Stock is an investment falling within Part II of the First Schedule to the Trustee Investments Act 1961. Application has been made to the Council of The Stock Exchange for the Stock to be admitted to the Official List.

THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND are authorised to receive tenders for the above Stock.

The principal of and interest on the Stock will be a charge on the National Loans Fund, with recourse to the Consolidated Fund of the United Kingdom. The Stock will be repaid at par on 21st February 1983.

The Stock will be registered at the Bank of England or at the Bank of Ireland, Belfast, and will be transferable in multiple of new £100 shares by instrument in writing in accordance with the Stock Transfer Act 1982. Transfers will be free of stamp duty.

Interest will be payable half-yearly on 21st February and 21st August. Income tax will be deducted from payments of more than £5 per annum. Interest warrants will be transmitted by post. The first payment will be due on 21st February 1981 at the rate of £1,000 per £100 of the Stock.

Tenders must be lodged not later than 10.00 a.m. on Thursday, 17th July 1980 at the Bank of England, New Issues, Waiting Street, London, EC4M 3AA or at any of the Branches of the Bank of England or at the Glasgow Agency of the Bank of England. Each tender must be for one or more whole £100 shares. The minimum price below which tenders will not be accepted, is £83.25 per cent. Tenders must be made at the minimum price or at higher prices which are multiples of 25p. Tenders lodged without a price being stated will be deemed to have been made at the minimum price.

Tenders must be accompanied by payment in full, i.e. the price tendered (minimum of £83.25) for every £100 nominal of Stock tendered. A separate cheque for the balance of the tender must be drawn on a bank in, and be payable in, the United Kingdom, the Channel Islands or the Isle of Man. Tenders must be in sealed envelopes marked "Exchequer Tender".

Tenders must be for a minimum of £100 Stock and for multiples of £100 as follows:—

Amount of Stock tendered for

Multiple

£100—£2,000

£2,000—£5,000

£5,000—£20,000

£20,000—£100,000

£100,000 or greater

Today's Events

third reading.

OFFICIAL STATISTICS Central Statistical Office issues May provisional index of industrial production.

COMPANY MEETINGS See Financial Diary on Page 23.

COMPANY RESULTS Final dividends: Atlantic Assets Trust, Zurich Engineering Group, The Diamond Stylus, LRC International, Mootague L.

Meyer, Murray Northern Investment Trust, Vinteo Group, Warner Holidays. Interim divi-

dends: A. Kershaw and Sons. The Rank Organisation. Interim figures: Deansons (Holdings), Rank Precision Industries (Holdings).

LUNCHTIME MUSIC, London Organ recital by Jonathan Rennett, St. Michael's, Corhill, 1 p.m.

City Music Society—Albani String Quartet, Bishopsgate Hall, 1.05 p.m.

Male voice concert by Lloyds Chorus, St. Katherine Cree, 1.05 p.m.

Reinholdsson late recital by Robert Monner, St. Andrew-by-the-Wardrobe, 1.15 p.m.

ISSUE BY TENDER OF £400,000,000

3 per cent EXCHEQUER STOCK, 1983

MINIMUM TENDER PRICE £83.25 PER CENT

TO THE GOVERNOR AND COMPANY OF THE BANK OF ENGLAND

1/We tender in accordance with the terms of the prospectus dated 11th July 1980 as follows:—

Amount of above-mentioned Stock tendered for, being a minimum of £100 and in 3 multiples as follows:—

Amount of Stock tendered for

Multiple

£100—£2,000

£2,000—£5,000

£5,000—£20,000

£20,000—£100,000

£100,000 or greater

The price tendered per £100 Stock, being a multiple of 25p and not less than the minimum tender price of £83.25.

Sum enclosed, being the amount required for payment in full, i.e. the price tendered (minimum of £83.25) for every £100 nominal of Stock tendered for:—

1/We request that any letter of allotment in respect of Stock allotted to me/us be sent by post at my/our risk to me/us at the address shown below.

July 1980 SIGNATURE of, or on behalf of, tenderer

PLEASE USE BLOCK LETTERS

MR/MRS MISS FORENAME(S) IN FULL SURNAME

FULL POSTAL ADDRESS

POST-TOWN COUNTY POSTCODE

Today's Events

third reading.

OFFICIAL STATISTICS Central Statistical Office issues May provisional index of industrial production.

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£20,000—£100,000

£100,000 or greater

</

These Debentures have not been registered under the Securities Act of 1933 of the United States of America and may not be offered or sold in the United States or to nationals or residents thereof.

NEW ISSUE

These securities having been sold, this announcement appears as a matter of record only.

JULY 1980

U.S. \$25,000,000 Blocker Energy International N.V.

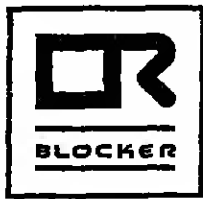
(Incorporated in the Netherlands Antilles)

8 1/4 % Convertible Subordinated Debentures Due 1995

Convertible into Common Stock of and Guaranteed
on a Subordinated Basis as to Payment of Principal,
Premium (if any) and Interest by

Blocker Energy Corporation

(Incorporated in Texas)



Credit Suisse First Boston Limited

Algemene Bank Nederland N.V.

Amsterdam-Rotterdam Bank N.V.

Arnhold and S. Bleichroeder, Inc.

Bache Halsey Stuart Shields

Banca del Gottardo

Bank Julius Baer International

Bank Leu International Ltd.

Bank Mees & Hope NV

Bank Bruxelles Lambert S.A.

Banque Française du Commerce Extérieur

Banque Nationale de Paris

Banque de Neufilze, Schlumberger, Mallet

Banque de Paris et des Pays-Bas

Banque de Paris et des Pays-Bas (Suisse) S.A.

Baring Brothers & Co.,

Berliner Handels- und Frankfurter Bank

Blyth Eastman Paine Webber International

B.S.I. Underwriters

Cazenove & Co. Clariden Bank Commerzbank Compagnie de Banque et d'Investissements (Underwriters) S.A.

Delbrück & Co.

Dresdner Bank

Drexel Burnham Lambert

Effectenbank-Warburg

Robert Fleming & Co.

Goldman Sachs International Corp.

Handelsbank N.W. (Overseas)

Hessische Landesbank

Hill Samuel & Co.

E. F. Hutton International Inc.

Kidder, Peabody International

Merrill Lynch International & Co.

Samuel Montagu & Co.

Morgan Grenfell & Co.

Pierson, Hekking & Pierson N.V.

Rothschild Bank AG

N. M. Rothschild & Sons

Schröder, Münchmeyer, Hengst & Co.

J. Henry Schroder Wagg & Co.

Strauss, Turnbull & Co.

Swiss Bank Corporation (Overseas)

Trade Development Bank,

Trinkaus & Burkhardt

Union Bank of Switzerland (Securities)

Vereins- und Westbank

J. Vontobel & Co.

S. G. Warburg & Co. Ltd.

Wood Gundy

NEW ISSUE

These securities having been sold, this announcement appears as a matter of record only.

JULY 1980

U.S. \$150,000,000

Export Development Corporation

(An agent of Her Majesty in right of Canada)



Société pour l'expansion des exportations

(Mandatée de Sa Majesté du chef du Canada)

9 1/2 % Notes Due January 15, 1986

Credit Suisse First Boston Limited

Wood Gundy Limited

Banque de Paris et des Pays-Bas

Daiwa Europe N.V.

Deutsche Bank Aktiengesellschaft

Salomon Brothers International

Swiss Bank Corporation (Overseas) Limited Westdeutsche Landesbank Girozentrale

Amsterdam-Rotterdam Bank N.V. Banque Nationale de Paris Dominion Securities Kredietbank N.V. McLeod Young Weir International

Merrill Lynch International & Co.

Orion Bank

Société Générale de Banque S.A.

Union Bank of Switzerland (Securities)

Algemene Bank Nederland N.V.

American Express Bank

A. E. Ames & Co.

Arab Bank Investment Company

Arnhold and S. Bleichroeder, Inc.

Bache Halsey Stuart Shields

Banca Commerciale Italiana

Bank of America International

Bank Brussel Lambert N.V.

Bank of Tokyo International

Bankers Trust International

Banque de l'Indochine et de l'Extrême-Orient

Banque Internationale à Luxembourg S.A.

Banque Worms

Baring Brothers & Co.,

Bayerische Landesbank Girozentrale

Berliner Handels- und Frankfurter Bank

Borus Fry

Chase Manhattan

Chemical Bank International

Christiania Bank og Kreditkasse

Clariden Bank

Commerzbank

County Bank

Credit Lyonnais

Delbrück & Co.

Den Danske Bank

Den Danske Creditbank

Deutsche Girozentrale

Effectenbank-Warburg

Fuji International Finance

Gemeinschaftliche Zentralbank AG

Girozentrale und Bank der Österreichischen Sparkassen

Goldman Sachs International Corp.

Greenshields

Hambros Bank

Hessische Landesbank

Kidder, Peabody International

Kleinwort, Benson

Kuwait Foreign Trading Contracting & Investment Co. (S.A.K.)

Lloyds Bank International

Kuwait International Investment Co. S.A.K.

Kuwait Investment Company (S.A.K.)

Lévesque, Bonhies Inc.

Nomura Europe N.V.

LTCB International

Manufacturers Hanover

Midland Doherty

Samuel Montagu & Co.

National Bank of Abu Dhabi

Nesbitt, Thomson

The Nikko Securities Co., (Europe) Ltd.

Rothschild Bank AG

Norddeutsche Landesbank

Pittfield Mackay Ross

Richardson Securities of Canada (U.K.)

Schroder, Münchmeyer, Hengst & Co.

The Royal Bank of Canada (London)

Samwa Bank (Underwriters)

Scandinavisk Bank

Sommitone Finance International

J. Henry Schroder Wagg & Co.

Skandinaviska Enskilda Banken

Société Générale

Swedish Bank

Svenska Handelsbanken

The Taiyo Kobe Bank (Luxembourg) S.A.

Trade Development Bank,

Union Bank of Finland Ltd.

Vereins- und Westbank

S. G. Warburg & Co. Ltd.

Williams, Glyn & Co.

Yamachi International (Europe)

Companies and Markets

UK COMPANY NEWS

Energy Capital looks for Bison cash support

DEALINGS restart today in the former brick-making company, Hamillborne, now named Energy Capital following the injection of substantial uranium, gas and oil interests.

Hamillborne's quote was frozen last March at 57p since which time the private energy interests of two U.S. businessmen, Mr. Paul Temple and Mr. Alex Allen, have been injected into the company in return for a share and cash package which will give them 35 per cent of the equity.

Mr. Temple is to be chairman in place of Mr. Graham Ferguson Lacey whose private master company, Birmingham and Midland Counties Trust, will retain 25 per cent of the ordinary capital.

It is hoped that Energy Capital's exploration potential will be underpinned by the cash flows emanating from the stake in the Bison Basin uranium project, Wyoming. Proven, probable and inferred reserves of in place uranium on the 11,000 acre site total 3.2m lbs. Independent consulting geologists have expressed the belief that the area contains as much as 10m lbs uranium.

The new company also intends to take an active interest in the exploration of small oil and gas fields in the U.S. which are becoming economically viable as the price of energy rises. Oil and gas interests acquired comprise 35 producing properties situated in Ohio, Oklahoma and Texas. Exploration assets consist of 53 non-producing properties.

But the main initial interest will probably centre on Bison Basin. The consultant geologists have calculated that Energy Capital's interest is worth \$2.5m, on the basis of 5m lbs of uranium oxide on an extraction rate of 85 per cent and a recovery of 95 per cent. That assumes that production starts this summer, uranium will sell at \$40 per lb this year and will escalate by 10 per cent annually thereafter.

It also assumes that revenue costs would inflate at the same rate and future cash flows have been discounted to present day values at 10 per cent annually.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are in prospect and the sub-divisions shown below are based mainly on last year's timetable.

TODAY
Interim—A. Karshaw, Bank Organisation.
Final—Adams Assets, Carlo En. (nearby), Diamond Stylus, LBC Inter. (nearby), Montague L. Meyer, Murray Northern Investment Trust, Vinton, Warner Holdings.

FUTURE DATES
Interim—Allied Textiles, Aug. 1, 22
Scottish Engineering, July 17
Lorrie, July 17
Lowe (Robert H.), July 18
Marsh and McLennan, July 18
Final—Arlington Motor, July 22
Finn (G. M.), July 22
Initial Services, July 22
Nova (Jersey) Kell, July 22
Shedfield Refreshment Houses, July 18
Sylvan, July 17

Equity & Law Life premium expansion

A good first half new annual premium life business is reported by Equity and Law Life Assurance Society, with premiums rising 43 per cent from \$3.1m to \$4.5m.

New annual premiums on individual business improved by 21 per cent from \$2.2m to \$2.7m, due to a 137 per cent rise in self-employed pension business. Unlinked business was also buoyant, rising 73 per cent from \$970,000 to \$1.68m.

New annual premiums on group business nearly doubled from \$2.9m to \$5.5m. But part of this rise came from a major scheme completing its increments in June compared with July last year.

However, the company's single premium business declined dramatically over the period from \$13.5m to \$10.1m. On individual business, the company's withdrawal from the guaranteed

bond market resulted in business being drastically reduced from \$15m to \$8.2m. Group single premium business was active, rising from \$300,000 to \$1.9m.

The company's new unlinked self-employed pension contract, launched towards the end of last year, has taken over from film in premium income.

Swire profit reduced by strong £

THE STRENGTH of sterling has pushed 1979 taxable profits of John Swire and Sons, which has transport and shipping interests in Australia and the Far East, back to £24.4m, compared with £22m for the previous year.

A truer reflection of the comparative performance of the group, say the directors, is that underlying profits, expressed in local currencies, were about 10 per cent down.

Although some companies have reported disappointing results in the early months of 1980, they are still hopeful of a modest improvement on the full year. There will be a further year's earnings from recent investments and businesses in the East should be at least as profitable as in 1979.

The surplus includes associates' profits of £18.7m (£19.3m) and investment income and interest receivable of £3.8m (£2.6m), and is after interest charges of £3.8m (£2.2m) and exceptional debits of £0.6m (£1.6m).

Turnover rose from £70.1m to £75m, and tax takes £8.3m (£10m).

The dividend on the ordinary shares, which are not listed, is 24p with a final of 16p.

As at December 31, balance sheet shows shareholders' funds of £163.5m against £130.1m, term loans of £23.3m (£23m), and bank overdrafts and short term loans of £18.8m (£6.2m), including £18.8m (£6.2m) unsecured.

Nesco falls in second half

Following a near-£100,000 rise to £490,062 at mid-year, taxable profits of Nesco Investments fell back in the second half to leave a surplus for the year to February 29, 1980, down from £787,687 to £765,839.

After tax of £398,307 (£493,975) and minorities £183,830 (£184,768) attributable profits showed a rise from £108,944 to £186,702. Interest and investment income increased to £180,737 (£80,546) and there was a surplus on disposal of investments of £13,707, against a loss of £71,394.

Earnings per 25p share are given as 8.97p (3.24p). As known dividends totalled 6.3p net (3.35p), absorbing £131,097 (£139,421).

Since the year-end the company, which is engaged in generation and distribution of electricity within its concession area in Nigeria, has received a further £168,768 from the sale of 9 per cent of its stake in Nigerian Electricity Supply Corporation (Nigeria). It still has a 51 per cent interest.

There is still some £334,000

outstanding, of which £163,000 is expected imminently.

Cash balances in the UK and listed securities at market value amount to approximately £1m, which will make substantial contribution to this year's earnings.

BSS PLANS TO BUY KORTING
British Steam Specialities is negotiating to buy Korting International, part of the Meadows Foundry group, which is in receivership, for £55,000.

Shareholders at British Steam's annual meeting were told that Korting, a producer of steam ejectors, had itself been consistently profitable, and had turned in a surplus of £27,500 for the year to March 31, 1980. Its net assets at that date amounted to £179,000.

Adverse factors affecting British Steam's own trading in the early part of the current year had delayed the delay effects of the steel strike, high inflation, the strong pound and the lack of growth in the UK. But the chairman believed

the group's diversity would protect it from adverse economic changes to some measure, and that its companies had the ability and motivation to pursue their planned growth objectives.

FINANCE FOR FLEXIFORM

Finance of £250,000 from industrial and commercial Finance Corporation (ICFC) and Lloyds Bank and £90,000 from its directors, has enabled Flexiform, fitting and storage systems group, to purchase the assets from the receiver of the Fairbairn Lawson Group.

The arrangement also includes the provision of additional working capital and backing from one of the group's major suppliers. Of the finance, ICFC put forward £180,000 and Lloyds £75,000.

The new Flexiform company will continue in the same head office and factory in Leeds as the predecessor, and a new London showroom and sales centre, in the course of preparation, will open soon.

ATTOCK PETROLEUM

Attock Petroleum has exercised its option to sell to Finance and Investment International its remaining 5.4 per cent holding in its former subsidiary, The Attock Oil Company, which is engaged in exploration, production and refining of oil and gas in Pakistan. The shares disposed of yielded no dividend in recent years, principally because of heavy capital expenditure in Pakistan. The proceeds, equal to book value and amounting to £485,380 cash, will be applied to the development of Attock Petroleum's activities in the UK, U.S. and Australia.

Public Works Loan Board rates

Years	Quota loans repaid at maturity			Non-quota loans A* repaid at maturity		
	by EPT	A*	A*	by EPT	A*	A*
Up to 5	131	131	13	141	141	131
Over 5, up to 10	131	131	131	131	131	141
Over 10, up to 15	131	131	131	141	141	141
Over 15, up to 20	131	131	131	141	141	141
Over 20	131	131	131	141	141	141

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payment of interest only.

WORLDWIDE FUND LIMITED

Net Asset Value per \$1 share as at 30th June, 1980, \$20.00
A commodity futures trading fund

iberpistas

U.S.\$18,000,000 Serial Floating Rate Mortgage Notes Due 1986

For the six month period July 11th, 1980 to January 12th, 1981 the Notes will bear an interest rate of 10 1/4% and a coupon amount of U.S.\$523.52 payable on January 12th, 1981.

Bankers Trust Company, London
Principal Paying Agent

WE ARE PLEASED TO

ANNOUNCE THAT

SHERIF RAAFAT

EXECUTIVE DIRECTOR

HAS JOINED

Kidder, Peabody
INTERNATIONAL LIMITED
99 Bishopsgate, London EC2
Tel: 01-638 6272

UK listing for Gotaas Larsen

Gotaas-Larsen Shipping Corporation, the company that was spun off last November from T. International, is seeking a listing of its 11.3m shares on the Stock Exchange.

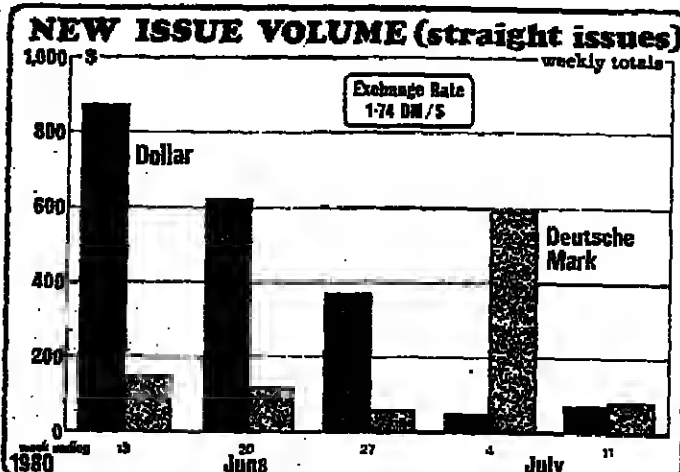
Operating from offices in Hamilton, Bermuda, the group has a fleet of 24 vessels, comprising LNG carriers, oil tankers, carriers, crude oil carriers, bulk carriers, drilling rigs and other ships.

At December 31, 1979, Gotaas-Larsen had assets of \$765m, and shareholders' funds of \$274m. Revenues in 1979 were \$115m. The shares have traded in over-the-counter markets in the U.S. and Canada since last November. Dealings are expected to begin on Tuesday July 29.

INTERNATIONAL CAPITAL MARKETS

BY FRANCIS GHILES

Hard currency issues riding high



INVESTORS ARE concerned about the weakness of the U.S. dollar. So far this worry has not led them to sell off dollar-denominated bonds in any quantity. But it has resulted in a marked surge in international buying interest in Deutsche-Mark, Swiss franc and guilders.

This renewed investor interest in hard currencies is not so much demonstrated in the rise in prices of seasoned issues as in the very good reception afforded during the past fortnight to virtually every new Eurobond denominated in D-Marks, Swiss francs or guilders.

The volume of new issues is running at a high level. DM 1.27bn worth of foreign D-Mark bonds and Swiss franc bonds issued during the past two weeks, which, in the case of the D-Mark is a record over so short a period.

Lead managers are also able to offer ever lower coupons without fear of putting off the investor: the latest D-Mark foreign bond, the first ever to be issued during the past two weeks, which, in the case of the D-Mark is a record over so short a period.

Recent issues, which were often heavily mispriced, still stand at substantial discounts from their issue price.

Some of the bonds are being placed with investors but the operation is proving to be painfully slow. The tone in the market was not helped by the launching of yet another deal, which was widely viewed as being mispriced, a \$70m 15-year bond for the EEC which offers a coupon of 11 per cent. This dollar has been very weak, requiring regular support from central banks.

Most bond dealers agree that this pressure could build up fast were interest rates to be eased. By the end of last week most dealers had reached the tentative conclusion that the Fed had decided to sit tight for the time being.

Although prices of straight dollar bonds edged ahead last week, trading remained thin.

was felt by many market participants to be a full 1 per cent below what might tempt investors into buying such paper.

Two other issues were launched last week in the dollar sector, both of them convertible. One was for Paribas Suisse and was well received, the other was for Metropolitan Estates Property Company. The latter, managed jointly by Morgan Grenfell and Kuwait International Investment Company, was the first Euro-convertible offered by a UK company since the abolition of UK exchange controls. The \$35m issue went well and there is a chance that the managers will increase the amount if the initial enthusiasm is sustained.

A month after the well-received issue for SNCF, the French state railway company, comes the next French franc offering. The Kingdom of Sweden is to raise FF 400m for five years at 12 1/2 per cent, 1 per cent below the coupon of the earlier issue. The three joint lead managers, BNP, Caisse des Depots et Consignations and PK bank, have fixed the coupon in line with the average secondary market yield of 12.80, for what is the largest Euro-French franc bond offering to date for a foreign borrower.

The latest sterling issue, for Kollmorgen, the U.S. electronics company, was increased in size last week from \$6.5m to \$7.5m. The bonds are convertible into Kollmorgen's U.S. stock after 15 years.

CURRENT INTERNATIONAL BOND ISSUES								Offer yield %
Borrowers	Amount m.	Maturity	Av. Life years	Coupons %	Price	Lead manager		
U.S. DOLLARS								
U.S. Hapag-Lloyd Int. NY	50	1985	5	5 1/4	100	NM Rothschild & Son	5.576	
City of Montreal	57.5	1987	7	10 1/2	100	WestLB	10.250	
Bank of Tokyo (Curacao) NV	50	1987	7	—	100	KIC		
Paribas (Suisse) (Bahamas)	40.3	1990	10	6 1/2	100	Paribas	6.250	
Richon Co.	50	1995	11 1/2	—	100	Morgan Stanley		
EEC	70	1995	10 1/2	11	100	Societe Generale	11.000	
SMEPC	30	1996	15 1/2	8 1/2	100	KIC, Morgan Grenfell	8.250	
D-MARKS								
Iberduero	100	1990	8 1/2	9	99 1/2	Dresdner Bank	9.078	
New Zealand	200	1988	8	7 1/2	99 1/2	Commerzbank	7.962	
The Dais	130	1987	6 1/2	5 1/2	100	BHF Bank	5.833	
World Bank	700	1990	10	8	99 1/2	Deutsche Bank	8.112	
Royal Bank of Canada	100	1990	10	7 1/2	100	WestLB	7.750	
Eurofima	40	1988	8	7 1/2	100	Boyerische Landesbank	7.875	
FRENCH FRANCS								
Kingdom of Sweden	400	1985	5	12 1/2	*	BNP, Caisse des Depots, PK Banken	*	
SWISS FRANCS								
Banque Ivoirienne de Develop'm't Indus. (g'teed Ivory Coast)	23	1990	—	7 1/2	100	Banque Gutzwiller	7.123	
Republic of Argentina	80	1990	—	6 1/2	100	UBS	6.500	
Danish Export Fin. Co.	50	1986	—	5 1/2	100	Swiss Volksbank	5.750	
IADE	100	1986	—	5 1/2	100	Credit Suisse	5.750	
Oesterreich. Kontrbk.	100	1990	—	5 1/2	99 1/2	SBC	5.533	
Tokyo Mogyo	100	1990	—	5 1/2	100	UBS	5.576	
IEB	100	1990	—	5 1/2	99 1/2	SBC	5.533	
STERLING								
Kallmorgen Int. Fin. NV	7.5	1995	15	8	100	Merrill Lynch, 5 G. Warburg	8.000	
LUXEMBOURG FRANCS								
Solvay Finance NV	500	1987	7	10 1/2	100 1/2	Banque Generale du Luxem.	10.497	
GUILDERS								
Westland-Utrecht Hypotheek	60	1987	7	10 1/2	100	Pierson Holding and Pierson	10.250	
YEN								
Kingdom of Sweden	15bn.	1990	8.8	8 1/2	100	Nomura Securities	8.500	
Yokohama	5bn.	1990	8	7 1/2	100	Nomura Securities, KIC	7.433	

* Not yet priced. † Final terms. ** Placement. †† Floating rate notes. * Minimum. ‡ Convertible.
‡ Registered with U.S. Securities and Exchange Commission. § Purchase Fund.
Note: Yields are calculated on AIBD basis.

U.S. BONDS

BY STEWART FLEMING

Fed's stand disappoints market

FOR THE fourth consecutive week bond prices on the New York market fell, reflecting disappointment at the apparent outcome of the important mid-year meeting of the Federal Reserve Board's Open Market Committee (FOMC) on Tuesday. The committee's decision to keep the discount rate at 11 1/2 per cent and to continue to buy government securities in the open market, while maintaining a "watchful waiting" posture, was seen as a disappointment by many market participants.

Some money market economists had been predicting that, in view of the apparent depth of the recession and sluggish growth in the money supply, the FOMC would take further steps to stimulate monetary growth and bring forward the rate of increase on interest rates.

By the end of the week, however, in the face of the draining of bank reserves from the money market by the central bank, investors had concluded

—along with Mr. James Kochan of Chase Manhattan Bank—that "committee members apparently decided that the recent acceleration in monetary growth (during June) has been sufficient to warrant a 'stand pat' strategy during the weeks ahead."

The FOMC's apparent decision not to ease policy came immediately even though it probably had preliminary figures indicating a second consecutive weekly decline in the money supply. On Friday the Fed reported a \$500m decline in M1A and a \$400m fall in M1B in the June 25 banking week.

Late on Friday further evidence to support the view that the Fed's policy remained unchanged appeared in the monthly report of the previous (May 20) FOMC meeting. It

CREDITS

BY FRANCIS GHILES

Appetite for valuable loan assets

THE APPETITE of international bankers for loan assets of scarcity value or quality was amply demonstrated last week. To the surprise of many, Greece's Public Power Corporation was able to mandate Chase Manhattan and Nippon Credit Bank to raise \$125m for eight years on a spread of 1 per cent throughout, terms which are a little finer than those that achieved two months ago.

Meanwhile the \$500m loan for EDF which boasts the finest margins seen in this market for many years, a spread of 0.55 per cent for the first five years rising to 0.45 per cent for the last five, is now almost certain to be increased to \$600m.

The \$550m loan for the Kingdom of Sweden, which carries a split spread of 1 and 1/2 per cent, was signed in Paris last Thursday. The nine lead managers, most of whom had initially underwritten \$100m each, were able to cut this figure back to \$38.7m after two successive sell downs.

Three other borrowers awarded mandates to banks last week to raise loans on the same fine terms as a few weeks ago. SEGBA, the Argentine electricity authority, has awarded a joint mandate to Bankers Trust and Sumitomo Bank to arrange a \$120m 10-year loan on a split spread of 1 and 1/2 per cent. A mandate to raise \$80m for 10 years on a spread of

per cent throughout for ENDASA, a subsidiary of the Spanish INI state holding company, has gone to Indosuez. Shearson Loeb Rhoades Inter-national meanwhile is arranging a \$50m seven-year loan for Ecuador on a margin of 1 per cent.

With the loan for Eleiophras now raised to \$410m, other Brazilian state borrowers have asked some banks to undertake soundings with a view to raising other loans on identical terms to those offered by the electricity utility, a maturity of eight years, a newly boosted margin of 1 per cent and a management fee of 1 per cent.

Bank of Tokyo briefly sounded the market with a view to

a medium-size loan for Sideras but these soundings were put on ice. Bank of America stepped in to assess the market for a similar type of deal for Telebras.

Many bankers sighed with relief after last week's meeting with Poland's Bank Handlowy when the go-ahead for a new loan was formally given. The terms include a margin of 1 per cent with a maturity of seven years.

Yugoslavia is widely expected to be the next Eastern European country to approach not only western banks but also governments for an estimated \$2bn of loans to help finance its deteriorating balance of payments.

FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR									
Issued	Bid	Offer	Change	Yield					
STRAIGHTS									
Alcoa of Australia 10 1/2	90	93	0	11.23					
Brit. Oxygen 10 3/4	90	94	0	11.32					
CECA 11 1/2	90	95	0	11.30					
CECA 11 3/4	90	95	0	11.30					
CECA 11 5/8	90	95	0	11.30					
Continental 11 3/4	90	95	0	11.30					
Continental 11 5/8	90	95	0	11.30					
Continental 11 3/4	90	95	0	11.30					
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Continental 11 5/8	90	95	0	11.30					
Continental 11 3/4	90	95	0	11.30					

WORLD STOCK MARKETS

CANADA

1980				July 11		Price		1980				July 11		Price	
High	Low			High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
80	32.1	ACF Holdings	71.5	17.80	8.20	Cheung Kong		17.80	1.84	Compro Prop.		2.75	45.0	Harbour	
90	32.1	Altco	64.2d	2.75	45.0	Harbour		12.00	1.84	Compro Prop.		2.75	45.0	Harbour	
33	21.1	Altco	82.8	7.10	4.85	East Asia Hav.		7.10	4.85	East Asia Hav.		7.10	4.85	East Asia Hav.	
318	28.5	SIABN	85.3	167.00	60.00	Hong Sang Senk		167.00	60.00	Hong Sang Senk		167.00	60.00	Hong Sang Senk	
66.3	52.1	AMRO	85.4	80.00	50.00	KK Kwong Wh.		80.00	50.00	KK Kwong Wh.		80.00	50.00	KK Kwong Wh.	
228	170.4	88 Cent	85.7	19.40	92.4K Land		19.40	92.4K Land		19.40	92.4K Land		19.40	92.4K Land	
37	68	Suehmann-Tet	85.7	24.50	62.01K Shanghai Gr.		24.50	62.01K Shanghai Gr.		24.50	62.01K Shanghai Gr.		24.50	62.01K Shanghai Gr.	
38.6	121.4	Camal Hldg.	85.7	11.40	6.10 Hutchison Wpa		11.40	6.10 Hutchison Wpa		11.40	6.10 Hutchison Wpa		11.40	6.10 Hutchison Wpa	
142.9	116.1	Enda	124.7	6.30	5.10 New World Dev.		6.30	5.10 New World Dev.		6.30	5.10 New World Dev.		6.30	5.10 New World Dev.	
72.8	56	Euro Com Tel.	39.9	10.10	3.25K Asia Trust Bk.		10.10	3.25K Asia Trust Bk.		10.10	3.25K Asia Trust Bk.		10.10	3.25K Asia Trust Bk.	
62.6	46.8	Hk Johnson	56.4d	6.20	6.90 Swift Pac.		6.20	6.90 Swift Pac.		6.20	6.90 Swift Pac.		6.20	6.90 Swift Pac.	
34.5	16.1	Hunt Douglas	84.9	5.80	3.47 Wheel K Mart		5.80	3.47 Wheel K Mart		5.80	3.47 Wheel K Mart		5.80	3.47 Wheel K Mart	
19	20.0	Int-Muelser	12.6		4.30 Wheel K Mart			4.30 Wheel K Mart			4.30 Wheel K Mart			4.30 Wheel K Mart	
76.5	63.1	Harnden	14.8												
114.1	100	Ned Ned Cert.	110.3												
12.6	20	Ned Ned Cert.	110.3												
244	191	Ned Mid Bank	82.5												
98.7	70	Nedloyd	112.9												
125.0	104	104 Cos	112.9												
27.4	12.6	OEM	30.1												
57.1	38.5	Commeren (Van)	10.2												
92.1	78.1	Philips	17.8												
98.1	87.1	Philips-Schelde	17.8												
109	105.8	Rodamco	103.6												
182.1	125.4	Rolince	106.5												
81.6	70.2	St. Jans	71.5												
113.1	142.8	St. Jans Dutch	188.2d												
81.6	20.3	Steenbrink	807.3d												
79.2	66.6	Tokyo Pac. Ng.	150.1												
102.5	102.5	Unilever	181.2												
100.8	73.5	Banking Res.	89												
92.5	76.8	BNV	84.9												
92.5	76.8	BNV	84.9												
87	45	Volker-Stevin	49.5												
849.8	818	West Eur. Bank	812												

1980				July 11		Price		1980				July 11		Price	
High	Low			High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
7.25	6.25	ANIC	6.25	584	584	514	Aljazeera		584	584	514	Aljazeera		584	584
62,480	4,000	Assicur Cred	32,450	618	618	340	Asahi Glass		618	618	340	Asahi Glass		618	618
18,300	10,751	Banca Com. It.	15,650	594	594	480	Bridgestone		594	594	480	Bridgestone		594	594
15,650	10,751	Banca Com. It.	15,650	594	594	480	Bridgestone		594	594	480	Bridgestone		594	594
7,760	4,439	Credito Varesino	5,939	1,000	1,000	718	Daiel		1,000	1,000	718	Daiel		1,000	1,000
53	53	Centrale	10,650	584	584	610	Daewoo		584	584	610	Daewoo		584	584
68	68	Fininvest	64	594	594	610	Daewoo		594	594	610	Daewoo		594	594
22,930	11,779	Invalsa	22,222	1,000	1,000	718	Daiel		1,000	1,000	718	Daiel		1,000	1,000
198	145.25	Montedison	146.95	584	584	610	Daewoo		584	584	610	Daewoo		584	584
112	112	Alfred	112	584	584	610	Daewoo		584	584	610	Daewoo		584	584
2,199	1,828	Pirelli C.	2,138	584	584	610	Daewoo		584	584	610	Daewoo		584	584
812	649	Pirelli SpA	750	584	584	610	Daewoo		584	584	610	Daewoo		584	584
1,000	1,000	Visconti	1,000	584	584	610	Daewoo		584	584	610	Daewoo		584	584
580	660	do. do. Priv.	590	584	584	610	Daewoo		584	584	610	Daewoo		584	584
11,630	8,890	Toro Asilo	9,120	584	584	610	Daewoo		584	584	610	Daewoo		584	584
16,410	4,430	do. Prof.	9,120	584	584	610	Daewoo		584	584	610	Daewoo		584	584

1980				July 11		Price		1980				July 11		Price	
High	Low			High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
115	101	Bergens Bank	106.5	1,800	966	Mactia		1,800	966	Mactia		1,800	966	Mactia	
98.5	72	Borregaard	76	768	498	Marudal		768	498	Marudal		768	498	Marudal	
128	110	Brattne	116.5	618	584	Molde		618	584	Molde		618	584	Molde	
108	78	Cent	380	570	505	M. & E. Work		570	505	M. & E. Work		570	505	M. & E. Work	
62	40	Com. Ind.	450	570	505	M. & E. Work		570	505	M. & E. Work		570	505	M. & E. Work	
766	440	Norsk Hydro	380	443	357	M. & E. Work		443	357	M. & E. Work		443	357	M. & E. Work	
147.5	112.5	Storebrand	116	410	368	M. & E. Work		410	368	M. & E. Work		410	368	M. & E. Work	

1980				July 11		Price		1980				July 11		Price	
High	Low			High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
128	146	AGA	181	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
112	112	Alfred	112	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
93.5	61	ASEA	67	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
80	80	Asahi Capco	64	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
120	120	Asahi Capco	64	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
168	103	Cellulosa	118	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
116	97.5	Electrolux	104	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
106	106	Electrolux	104	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
161	138	Esprit	160	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
119	83	Fingersta	87	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
142	56.5	Fininvest	56	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
85	63	San-Scania	76	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
250	200	Sandvik	254	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
142	80	Scania Doct	112	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
123	108	Skanan Enkatis	126	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
214	68	SKF	66.5	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
73	53.5	SVN Handelsabz.	53.5	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
27	75	Tandem	84.5	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
106	90	Tandem	84.5	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	
94.5	66	Volvo	66	1,490	950	Mitsubishi		1,490	950	Mitsubishi		1,490	950	Mitsubishi	

1980				July 11		Price		1980				July 11		Price	
High	Low			High	Low	High	Low	High	Low	High	Low	High	Low	High	Low
1,360	1,110	Alitalia	1,120	1,360	1,110	Alitalia		1,360	1,110	Alitalia		1,360	1,110	Alitalia	
1,890	1,600	Arrows Boveri	1,675	1,890	1,600	Arrows Boveri		1,890	1,600	Arrows Boveri		1,890	1,600	Arrows Boveri	
1,040	970	Ch. de Galt	1,150	1,040	970	Ch. de Galt		1,040	970	Ch. de Galt		1,040	970	Ch. de Galt	
1,000	740	do. do. Part	985	1,000	740	do. do. Part		1,000	740	do. do. Part		1,000	740	do. do. Part	
2,480	2,050	Credit Suisse	2,210	2,480	2,050	Credit Suisse		2,480	2,050	Credit Suisse		2,480	2,050	Credit Suisse	
2,200	1,850	do. do. Part	1,850	2,200	1,850	do. do. Part		2,200	1,850	do. do. Part		2,200	1,850	do. do. Part	
850	720	Fininvest	720	850	720	Fininvest		850	720	Fininvest		850	720	Fininvest	
68,780	1,000	Haff. Roche P. C.	68,280	68,780	1,000	Haff. Roche P. C.		68,780	1,000	Haff. Roche P. C.		68,780	1,000	Haff. Roche P. C.	
6,885	5,100	Hoff. Roche A. I.	5,100	6,885	5,100	Hoff. Roche A. I.		6,885	5,100	Hoff. Roche A. I.		6,885	5,100	Hoff. Roche A. I.	
2,200	1,850	Landis & Gyr	1,850	2,200	1,850	Landis & Gyr		2,200	1,850	Landis & Gyr		2,200	1,850	Landis & Gyr	
1,450	1,245	Jelmoli	1,245	1,450	1,245	Jelmoli		1,450	1,245	Jelmoli		1,450	1,245	Jelmoli	
1,250	1,050	Landis & Gyr	1,050	1,250	1,050	Landis & Gyr		1,250	1,050	Landis & Gyr		1,250	1,050	Landis & Gyr	
2,600	2,415	Orb. Sch. B.	2,415	2,600	2,415	Orb. Sch. B.		2,600	2,415	Orb. Sch. B.		2,600	2,415	Orb. Sch. B.	
285	250	Pirelli	275	285	250	Pirelli		285	250	Pirelli		285	250	Pirelli	
450	370	Sanofi	370	450	370	Sanofi		450	370	Sanofi		450	370	Sanofi	
530	425	Sandoz (P. C.)	425	530	425	Sandoz (P. C.)		530	425	Sandoz (P. C.)		530	425	Sandoz (P. C.)	
800	230	Schindler (P. C.)	230	800	230	Schindler (P. C.)		800	230	Schindler (P. C.)		800	230	Schindler (P. C.)	
450	370	Schindler	370	450	370	Schindler		450	3						

116	88.5 Pe
391.5	246 Pe
297	225 Pe

[illegible]

145.2	145.3	148.5	148.6 (87)	125.3 (27/6)	202.5	202.5	206 Farennode Brygg	245	530	84
					190.5	148.5	Farennode Dampk	187	230	14
					202.75	185.5	CNT Hida	167	196	36

Change				Change			
Friday	Stocks	Closing		Stocks	Closing		
	aded	day		aded	day		
Oil	756,500	75 $\frac{1}{2}$	+2 $\frac{1}{2}$	Dull Oil	331,000	45	+1 $\frac{1}{2}$
Mobile	457,500	75 $\frac{1}{2}$		Amer. Cynamid	770,000	31	+ $\frac{1}{2}$
U.S. Air	443,900	14 $\frac{1}{2}$	+ $\frac{1}{2}$	Atlantic Rich.	305,500	48	+1 $\frac{1}{2}$
Transp.	413,500	14 $\frac{1}{2}$		Mid. S. Oil	263,200	13	+ $\frac{1}{2}$
19M	424,100	92 $\frac{1}{2}$	+1 $\frac{1}{2}$	Brunswick	267,900	12 $\frac{1}{2}$	+ $\frac{1}{2}$

Change				Change			
Friday	Stocks	Closing		Stocks	Closing		
	aded	day		aded	day		
157,500	128,25	Hord Kabel	165,5	279	240	Rosenthal	187
308	207	Novo Ind.	306	305,5	175,2	Schering	130
115	100	Papierfabrik	107	281,9	247,8	Siemens	193,1
126,105	293	Privatbank	108,50	90,2	54,3	Thyssen	66,2
133	105	Postnabank	106	168	138	Varta	158
289	248	8midt-IFL	246	168	134	Varta	157,6
178	173	BERAND	59	271,1	250	Vorin-West	170
113	95,75	Boerlin	108	178,1	170	Volkswagen	174,2

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Change				Change			
Friday	Stocks	Closing					

FINANCIAL TIMES

Eurobond Quotations and Yields

AIBD

THE ASSOCIATION OF INTERNATIONAL BOND DEALERS

AT 30th JUNE 1980

Eurobonds in June

BY FRANCIS GHILES

The Association of International Bond Dealers (AIBD) compiles and publishes monthly quotations and yields for Eurobond issues. The quotations and yields are published monthly by the Financial Times. The Association's price and yield information is compiled from quotations obtained from market-makers in the fast working day each month. There is no single stock exchange for Eurobonds in the usually recognised secondary market trading. It is done on the phone between dealers across the world's financial centres.

Membership of the AIBD, which was established in 1969, comprises over 550 institutions in about 30 countries.

The month of June witnessed the re-emergence of a tale told in the Eurobond markets: the first two weeks found the dollar sector in splendid shape. The volume of new issues was running at a high level, coupons were being trimmed but, with U.S. interest rates continually falling, investors kept on buying.

However, fierce competition, as always, led issuing houses to offer conditions to borrowers which investors eventually

decided were too fine. A slight upward movement in U.S. interest rates did the rest. The difficulties of selling Eurodollar bonds were compounded by the indigestion which characterised the U.S. domestic bond market. By late June, secondary market prices were slipping but the worse affected were the new dollar issues, which often stood at discounts of around 5 points from their price of issue. Older issues however hardly suffered at all.

The exuberance of the dollar sector had no dampening effect on the D-Mark foreign bond market. The volume of new issues there rose to above DM 1bn while the German Capital Markets Sub Committee agreed later in the month on a calendar of new issues which could well reach DM 1.5bn in July. A steady flow of buying from abroad continues while coupons offered to investors have dropped. The gap between dollar and D-Mark interest rates

narrowed considerably, at one point in the middle of the month Dollar deposit rates actually dropped below D-Mark ones for the first time in a decade.

Last month witnessed the long awaited appearance of the World Bank in the dollar sector of the Eurobond market. Until then this prime borrower had limited its fund raising to the Swiss Franc and D-Mark sectors. The success of the first \$300m issue was so great that it led the borrower to issue another \$200m bond a week later. Both issues were managed by Paribas, something which was not to the liking of some investment banking houses.

The addition of yet another borrower was yet another pointer to the widening net of borrowers attracted to what the World Bank's treasurer had until recently regarded as a "market of intermediaries who over time worked out their inventories".

Another coup pulled off by the Eurobond market against its U.S. counterpart in the first week of June was the decision by the EIB to freeze a Yankee bond issue it was planning in New York and let CSFB launch a Eurobond issue on finer terms. This move highlighted the advantage the Eurobond market has over its U.S. counterpart in that it can move very fast,

especially when interest rates are moving down. It can thus "anticipate" the yield at which investors will buy paper whereas Yankee issues tend to be priced at the current going rate.

As issue after issue rolled off the presses, all seemed to be for the best in the best of worlds. The size of many individual offerings was increased, the coupon cut while seasoned issues posted daily gains in the secondary market. Trading conditions were the best for a long time and many dealers all but forgot the dark winter months when the market had come to a virtual standstill after record price falls.

The third week in June however pointed to the resistance many investors were putting up when it came to buying paper yielding less than 10 per cent. That week witnessed, on Tuesday 17, the launch of six dollar issues in 24 hours. Some of these boasted coupons below 10 per cent and, together with the volume of paper on offer, quickly resulted in a degree of indigestion. This malady was made worse by the fact that a number of these deals were "bought" by the lead managers who were thus precluded from altering the terms during the offering period.

The slight rise in U.S. interest rates the following

week resulted in most new issues starting to trade at heavy discounts. Various methods were used by lead managers to launch their issues into a troubled market. Merrill Lynch and Den Norske Creditbank gave their full allotment to the underwriters in the issue they were managing for Eksportfinans while CSFB chose to give those underwriting the Export Development Corporation which it was bringing to the market at the same time about one third of the volume of bonds which they had initially underwritten.

The difference in performance was thus partly cosmetic. Eksportfinans started trading at a much lower level than EDC. The virtues of the two methods are still the subject of debate.

How long the market will take to digest the latest batch of bonds in the dollar sector is hard to say: part of the answer lies in the movement of U.S. dollar rates in July. But, in contrast to last year, there is no inverse yield curve today and short-term dollar rates are not inexorably moving up.

In the Deutsche Mark and Swiss Franc sectors, a steady flow of new issues has been accommodated while coupons have been falling gently all along. D-Mark bonds have been in greater demand than earlier in the spring, with inflation in West Germany expected to be

contained at 5 per cent, half the expected level in the U.S., some investors are asking whether the historically low yield differential of just 200 basis points between U.S. Government bonds and prime grade D-Mark issues reflects the reality of the situation.

The average yield offered on D-Mark foreign bonds dropped by about 1 per cent during the month to 8 per cent. New Zealand was able to offer paper with a coupon of 7½ per cent at the tail end of June, the lowest coupon offered on such paper in six months.

The first sterling denominated Japanese convertible was launched through Morgan Grenfell for the Dai-ichi, the Japanese retail trading group. Trading was thin when the bond reached the secondary market, maybe a reflection that the paper was solidly placed with British institutions in London. Early this month, Kollmorgen Corporation issued another post exchange control novelty, a Eurosterling bond convertible into U.S. dollar shares for Kollmorgen Corporation.

This issue underlines the increasingly international flavour of the London capital market and the pioneer role which Morgan Grenfell, the lead manager, continues to play in seeking new forms of raising capital in the Eurobond market.

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The table of quotations and yields gives the latest rates available on 30th June, 1980. This information is from reports from official and other sources which the Association of International Bond Dealers considers to be reliable, but its accuracy are not available and the Association does not guarantee that the information it contains is accurate or complete.

All rates quoted are for indication purposes only and are not based on, nor are they intended to be used as a basis for, particular transactions. In quoting the rates the Association does not undertake that its members will take in all the listed Eurobonds and the Association, its members and the Financial Times Limited do not accept any responsibility for errors in the table.

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Creditanstalt-Market Makers in Austrian Schilling Bonds and International Bonds of Austrian Issuers.

Selected Austrian Schilling Bonds*	Middle Market price (24.6.80)	Yield to average life	Current Yield	Redemption (MD: Mandatory Drawings by lot PF: Purchase Fund SF: Sinking Fund)
Maturity up to 5 years				
8 % Österreich 1973/III/B/82	101.00	8.95	7.92	20.11.74-82 at 102.0 to 102.5 MD
8½ % Österreich 1975/S/83	100.25	8.87	8.47	5. 3.76-83 at 100.0 to 101.0 MD
8½ % Innsbruck 1974/B/82	100.00	8.80	8.50	19.11.75-82 at 100.5 MD
8½ % Wien 1974/B/84	99.00	8.97	8.59	2. 7.75-84 MD
Maturity over 5 years				
8½ % Österreich 1976/S/86	100.75	9.02	8.44	20. 2.81-86 at 101.5 to 104.0 MD
8 % Österreich 1977/II/B/86	96.75	8.97	8.27	15. 9.82-86 MD
7½ % Österreich 1978/IV/C/86	94.25	9.00	8.22	1. 9.86 MD
9 % Österreich 1980-92/8	99.50	9.08	9.04	24. 6.89-92 MD
8 % Airlberg Straßentunnel 1977/B/85	97.50	8.99	8.21	29. 7.80-85 MD
9½ % Tauernautobahn 1980-88/1	102.75	9.00	9.25	20. 5.88 MD
8 % Energie 1977/S/II/B/86	96.50	9.03	8.29	4.10.82-86 MD
8 % Steyr-Daimler-Puch 1972/87 ohne Opt.	97.50	8.80	8.21	24.11.73-87 MD
8 % VÖEST-Alpine 1977/B/86	96.50	9.00	8.29	15.11.82-86 MD
8½ % CA-BV 1975/II/B/85	100.25	8.87	8.48	11.11.76-85 at 101.0 to 101.5 MD
8 % World Bank 1980-90	93.50	9.03	8.56	1. 2.90 PF

* Interest is payable without deduction for or on account of Austrian taxes.

Selected International Bonds of Austrian Issuers

US\$					
5½ % Alpine Montan 1965/85	90.00	8.17	6.39	15. 6.72-85	SF
6½ % Austrian Electricity 1966/86	98.50	7.18	6.73	1. 7.70-86	SF
6½ % Austrian Electricity 1967/82	98.50	8.00	6.85	1.10.71-82	SF
6 % Republic of Austria 1964/84	95.00	8.57	6.32	31. 1.71-84	SF
6½ % Republic of Austria 1967/82	95.00	10.96	7.11	15. 3.72-82	SF
8½ % Republic of Austria 1976/90	89.75	10.52	9.75	15. 8.78-90	SF
8½ % Tauernautobahn 1977/87	90.75	10.50	9.09	15. 3.83-87	SF
DM					
5½ % Österreich 1978/90	86.50	8.00	6.65	1.11.85-90	
6½ % VÖEST 1977/89	92.50	8.22	7.30	1. 6.84-89	
7 % Tauernkraftwerke 1968/83	101.50	6.03	6.90	1. 2.74-83	

For current prices and further information please contact:
For Austrian Schilling Bonds: Robert Jekl, Robert Wasinger (Telephone: 6622/1701, 1707, Telex: 74261-63)
For International Bonds: Walter Vogl (Telephone: 6622/2222, Telex: 136948)

Code for Reuter Monitor Securities Program: CA DA, CA DB



Creditanstalt

Creditanstalt-Bankverein, Schottengasse 6, A-1010 Vienna.

TDK: Color Us Black, White and Brown

TDK is responding to the challenges of shrinking resources and rising costs by developing smaller, more precise and more efficient electronic parts. Our PQ Core, for instance, is 40% smaller than comparable ferrite cores. Manufacturers can use the PQ Core to cut materials and installation costs in building smaller switching power units for electronic products ranging from mini-computers and medical equipment to electronic games.

TDK has a record of success in developing innovative products like the PQ Core because we combine the ability to anticipate market needs with nearly half a century of experience in ferrite technology.



BLACK: Shaped by Today's Market Needs

TDK has sustained a record of growth. Over the past decade, sales advanced at a compound annual rate of 19.4%, increasing 243% in fiscal 1979. Earnings per share have followed the same upward trend, increasing 26.6% last year. For more information, write for our annual report and financial fact book.

TDK
TDK ELECTRONICS CO. LTD.
1-1, Minamishinjuku, Chuo-ku, Tokyo 103, Japan

[illegible]

US DOLLARS-INTERNATIONAL (CONTINUED)										US DOLLARS-INTERNATIONAL (CONTINUED)										US DOLLARS-INTERNATIONAL (CONTINUED)										US DOLLARS-INTERNATIONAL (CONTINUED)										US DOLLARS-INTERNATIONAL (CONTINUED)									
DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE	DATE	COUNTRY	UNIT	PRICE						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99						
1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA	DZ 1/4	15.99	1978	ALGERIA</																																								

[illegible]

Advertisement

Issue	Middle Price	Current Yield	Yield to Maturity ^a	Life ^b	Repayment by means of drawdown by lot at par 30-day term P-purchase price
61 ¹ /2 Mexico 77-85	98.80	7.55	9.10	5.17	1.985
61 ¹ /2 Mexico 75-84	100.00	9.07	10.10	2.03	1.281-840
61 ¹ /2 Mexico 76-83	100.25	8.23	8.93	1.64	1.380-830
61 ¹ /2 Mexico 77-84	97.50	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 77-85	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 78-85	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 79-86	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 80-87	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 81-88	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 82-89	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 83-90	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 84-91	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 85-92	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 86-93	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 87-94	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 88-95	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 89-96	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 90-97	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 91-98	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 92-99	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 93-00	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 94-01	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 95-02	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 96-03	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 97-04	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 98-05	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 99-06	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 00-07	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 01-08	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 02-09	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 03-10	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 04-11	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 05-12	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 06-13	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 07-14	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 08-15	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 09-16	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 10-17	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 11-18	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 12-19	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 13-20	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 14-21	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 15-22	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 16-23	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 17-24	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 18-25	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 19-26	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 20-27	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 21-28	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 22-29	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 23-30	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 24-31	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 25-32	97.00	8.67	7.24	4.00	1.784
61 ¹ /2 Mexico 26-33	97.00	8.67	7.24	4.00	

5 years maturity: 8.05%

5 years maturity: 8.05%

57%	Norway 73.82	92.25	5.05	7.81	2.50	1.183
58%	Norway 74.83	92.25	5.05	7.81	2.50	1.183
60%	Norway 75.84	92.25	5.05	7.81	2.50	1.183
62%	Norway 76.85	92.25	5.05	7.81	2.50	1.183
64%	Norway 77.86	92.25	5.05	7.81	2.50	1.183
66%	Norway 78.87	92.25	5.05	7.81	2.50	1.183
68%	Norway 79.88	92.25	5.05	7.81	2.50	1.183
70%	Norway 80.89	92.25	5.05	7.81	2.50	1.183
72%	Norway 81.90	92.25	5.05	7.81	2.50	1.183
74%	Norway 82.91	92.25	5.05	7.81	2.50	1.183
76%	Norway 83.92	92.25	5.05	7.81	2.50	1.183
78%	Norway 84.93	92.25	5.05	7.81	2.50	1.183
80%	Norway 85.94	92.25	5.05	7.81	2.50	1.183
82%	Norway 86.95	92.25	5.05	7.81	2.50	1.183
84%	Norway 87.96	92.25	5.05	7.81	2.50	1.183
86%	Norway 88.97	92.25	5.05	7.81	2.50	1.183
88%	Norway 89.98	92.25	5.05	7.81	2.50	1.183
90%	Norway 90.99	92.25	5.05	7.81	2.50	1.183
92%	Norway 91.00	92.25	5.05	7.81	2.50	1.183
94%	Norway 92.01	92.25	5.05	7.81	2.50	1.183
96%	Norway 93.02	92.25	5.05	7.81	2.50	1.183
98%	Norway 94.03	92.25	5.05	7.81	2.50	1.183
100%	Norway 95.04	92.25	5.05	7.81	2.50	1.183
51%	Oslo 68.84	94.70	6.65	7.89	3.42	1.123-82D
52%	Oslo 69.85	94.70	6.65	7.89	3.42	1.123-82D
53%	Oslo 70.86	94.70	6.65	7.89	3.42	1.123-82D
54%	Oslo 71.87	94.70	6.65	7.89	3.42	1.123-82D
55%	Oslo 72.88	94.70	6.65	7.89	3.42	1.123-82D
56%	Oslo 73.89	94.70	6.65	7.89	3.42	1.123-82D
57%	Oslo 74.90	94.70	6.65	7.89	3.42	1.123-82D
58%	Oslo 75.91	94.70	6.65	7.89	3.42	1.123-82D
59%	Oslo 76.92	94.70	6.65	7.89	3.42	1.123-82D
60%	Oslo 77.93	94.70	6.65	7.89	3.42	1.123-82D
61%	Oslo 78.94	94.70	6.65	7.89	3.42	1.123-82D
62%	Oslo 79.95	94.70	6.65	7.89	3.42	1.123-82D
63%	Oslo 80.96	94.70	6.65	7.89	3.42	1.123-82D
64%	Oslo 81.97	94.70	6.65	7.89	3.42	1.123-82D
65%	Oslo 82.98	94.70	6.65	7.89	3.42	1.123-82D
66%	Oslo 83.99	94.70	6.65	7.89	3.42	1.123-82D
67%	Oslo 84.00	94.70	6.65	7.89	3.42	1.123-82D
68%	Oslo 85.01	94.70	6.65	7.89	3.42	1.123-82D
69%	Oslo 86.02	94.70	6.65	7.89	3.42	1.123-82D
70%	Oslo 87.03	94.70	6.65	7.89	3.42	1.123-82D
71%	Oslo 88.04	94.70	6.65	7.89	3.42	1.123-82D
72%	Oslo 89.05	94.70	6.65	7.89	3.42	1.123-82D
73%	Oslo 90.06	94.70	6.65	7.89	3.42	1.123-82D
74%	Oslo 91.07	94.70	6.65	7.89	3.42	1.123-82D
75%	Oslo 92.08	94.70	6.65	7.89	3.42	1.123-82D
76%	Oslo 93.09	94.70	6.65	7.89	3.42	1.123-82D
77%	Oslo 94.10	94.70	6.65	7.89	3.42	1.123-82D
78%	Oslo 95.11	94.70	6.65	7.89	3.42	1.123-82D
79%	Oslo 96.12	94.70	6.65	7.89	3.42	1.123-82D
80%	Oslo 97.13	94.70	6.65	7.89	3.42	1.123-82D
81%	Oslo 98.14	94.70	6.65	7.89	3.42	1.123-82D
82%	Oslo 99.15	94.70	6.65	7.89	3.42	1.123-82D
83%	Oslo 100.16	94.70	6.65	7.89	3.42	1.123-82D
84%	Oslo 101.17	94.70	6.65	7.89	3.42	1.123-82D
85%	Oslo 102.18	94.70	6.65	7.89	3.42	1.123-82D
86%	Oslo 103.19	94.70	6.65	7.89	3.42	1.123-82D
87%	Oslo 104.20	94.70	6.65	7.89	3.42	1.123-82D
88%	Oslo 105.21	94.70	6.65	7.89	3.42	1.123-82D
89%	Oslo 106.22	94.70	6.65	7.89	3.42	1.123-82D
90%	Oslo 107.23	94.70	6.65	7.89	3.42	1.123-82D
91%	Oslo 108.24	94.70	6.65	7.89	3.42	1.123-82D
92%	Oslo 109.25	94.70	6.65	7.89	3.42	1.123-82D
93%	Oslo 110.26	94.70	6.65	7.89	3.42	1.123-82D
94%	Oslo 111.27	94.70	6.65	7.89	3.42	1.123-82D
95%	Oslo 112.28	94.70	6.65	7.89	3.42	1.123-82D
96%	Oslo 113.29	94.70	6.65	7.89	3.42	1.123-82D
97%	Oslo 114.30	94.70	6.65	7.89	3.42	1.123-82D
98%	Oslo 115.31	94.70	6.65	7.89	3.42	1.123-82D
99%	Oslo 116.32	94.70	6.65	7.89	3.42	1.123-82D
100%	Oslo 117.33	94.70	6.65	7.89	3.42	1.123-82D
51%	Oslo 118.34	94.70	6.65	7.89	3.42	1.123-82D
52%	Oslo 119.35	94.70	6.65	7.89	3.42	1.123-82D
53%	Oslo 120.36	94.70	6.65	7.89	3.42	1.123-82D
54%	Oslo 121.37	94.70	6.65	7.89	3.42	1.123-82D
55%	Oslo 122.38	94.70	6.65	7.89	3.42	1.123-82D
56%	Oslo 123.39	94.70	6.65	7.89	3.42	1.123-82D
57%	Oslo 124.40	94.70	6.65	7.89	3.42	1.123-82D
58%	Oslo 125.41	94.70	6.65	7.89	3.42	1.123-82D
59%	Oslo 126.42	94.70	6.65	7.89	3.42	1.123-82D
60%	Oslo 127.43	94.70	6.65	7.89	3.42	1.123-82D
61%	Oslo 128.44	94.70	6.65	7.89	3.42	1.123-82D
62%	Oslo 129.45	94.70	6.65	7.89	3.42	1.123-82D
63%	Oslo 130.46	94.70	6.65	7.89	3.42	1.123-82D
64%	Oslo 131.47	94.70	6.65	7.89	3.42	1.123-82D
65%	Oslo 132.48	94.70	6.65	7.89	3.42	1.123-82D
66%	Oslo 133.49	94.70	6.65	7.89	3.42	1.123-82D
67%	Oslo 134.50	94.70	6.65	7.89	3.42	1.123-82D
68%	Oslo 135.51	94.70	6.65	7.89	3.42	1.123-82D
69%	Oslo 136.52	94.70	6.65	7.89	3.42	1.123-82D
70%	Oslo 137.53	94.70	6.65	7.89	3.42	1.123-82D
71%	Oslo 138.54	94.70	6.65	7.89	3.42	1.123-82D
72%	Oslo 139.55	94.70	6.65	7.89	3.42	1.123-82D
73%	Oslo 140.56	94.70	6.65	7.89	3.42	1.123-82D
74%	Oslo 141.57	94.70	6.65	7.89	3.42	1.123-82D
75%	Oslo 142.58	94.70	6.65	7.89	3.42	1.123-82D
76%	Oslo 143.59	94.70	6.65	7.89	3.42	1.123-82D
77%	Oslo 144.60	94.70	6.65	7.89	3.42	1.123-82D
78%	Oslo 145.61	94.70	6.65	7.89	3.42	1.123-82D
79%	Oslo 146.62	94.70	6.65	7.89	3.42	1.123-82D
80%	Oslo 147.63	94.70	6.65	7.89	3.42	1.123-82D
81%	Oslo 148.64	94.70	6.65	7.89	3.42	1.123-82D
82%	Oslo 149.65	94.70	6.65	7.89	3.42	1.123-82D
83%	Oslo 150.66	94.70	6.65	7.89	3.42	1.123-82D
84%	Oslo 151.67	94.70	6.65	7.89	3.42	1.123-82D
85%	Oslo 152.68	94.70	6.65	7.89	3.42	1.123-82D
86%	Oslo 153.69	94.70	6.65	7.89	3.42	1.123-82D
87%	Oslo 154.70	94.70	6.65	7.89	3.42	1.123-82D
88%	Oslo 155.71	94.70	6.65	7.89	3.42	1.123-82D
89%	Oslo 156.72	94.70	6.65	7.89	3.42	1.123-82D
90%	Oslo 157.73	94.70	6.65	7.89	3.42	1.123-82D
91%	Oslo 158.74	94.70	6.65	7.89	3.42	1.123-82D
92%	Oslo 159.75	94.70	6.65	7.89	3.42	1.123-82D
93%	Oslo 160.76	94.70	6.65	7.89	3.42	1.123-82D
94%	Oslo 161.77	94.70	6.65	7.89	3.42	1.123-82D
95%	Oslo 162.78	94.70	6.65	7.89	3.42	1.123-82D
96%	Oslo 163.79	94.70	6.65	7.89	3.42	1.123-82D
97%	Oslo 164.80	94.70	6.65	7.89	3.42	1.123-82D
98%	Oslo 165.81	94.70	6.65	7.89	3.42	1.123-82D
99%	Oslo 166.82	94.70	6.65	7.89	3.42	1.123-82D
100%	Oslo 167.83	94.70	6.65	7.89	3.42	1.123-82D
51%	Oslo 168.84	94.70	6.65	7.89	3.42	1.123-82D
52%	Oslo 169.85	94.70	6.65	7.89	3.42	1.123-82D
53%	Oslo 170.86	94.70	6.65	7.89	3.42	1.123-82D
54%	Oslo 171.87	94.70	6.65	7.89	3.42	1.123-82D
55%	Oslo 172.88	94.70	6.65	7.89	3.42	1.123-82D
56%	Oslo 173.89	94.70	6.65	7.89	3.42	1.123-82D
57%	Oslo 174.90	94.70	6.65	7.89	3.42	1.123-82D
58%	Oslo 175.91	94.70	6.65	7.89	3.42	1.123-82D
59%	Oslo 176.92	94.70	6.65	7.89	3.42	1.123-82D
60%	Oslo 177.93	94.70	6.65	7.89	3.42	1.123-82D
61%	Oslo 178.94	94.70	6.65	7.89	3.42	1.123-82D
62%	Oslo 179.95	94.70	6.65	7.89	3.42	1.123-82D
63%	Oslo 180.96	94.70	6.65	7.89	3.42	1.123-82D
64%	Oslo 181.97	94.70	6.65	7.89	3.42	1.123-82D
65%	Oslo 182.98	94.70	6.65	7.89	3.42	1.123-82D
66%	Oslo 183.99	94.70	6.65	7.89	3.42	1.123-82D
67%	Oslo 184.00	94.70	6.65	7.89	3.42	1.123-82D
68%	Oslo 185.01	94.70	6.65	7.89	3.42	1.123-82D
69%	Oslo 186.02	94.70	6.65	7.89	3.42	1.123-82D
70%	Oslo 187.03	94.70	6.65	7.89	3.42	1.123-82D
71%	Oslo 188.04	94.70	6.65	7.89	3.42	1.123-82D
72%	Oslo 189.05	94.70	6.65	7.89	3.42	1.123-82D
73%	Oslo 190.06	94.70	6.65	7.89	3.42	1.123-82D
74%	Oslo 191.07	94.70	6.65	7.89	3.42	1.123-82D
75%	Oslo 192.08	94.70	6.65	7.89	3.42	1.123-82D
76%	Oslo 193.09	94.70	6.65	7.89	3.42	1.123-82D
77%	Oslo 194.10	94.70	6.65	7.89	3.42	1.123-82D
78%	Oslo 195.11	94.70	6.65	7.89	3.42	1.123-82D
79%	Oslo 196.12	94.70	6.65	7.89	3.42	1.123-82D
80%	Oslo 197.13	94.70	6.65	7.89	3.42	1.123-82D
81%	Oslo 198.14	94.70	6.65	7.89	3.42	1.123-82D
82%	Oslo 199.15	94.70	6.65	7.89	3.42	1.123-82D
83%	Oslo 200.16	94.70	6.65	7.89	3.42	1.123-82D
84%	Oslo 201.17	94.70	6.65	7.89	3.42	1.123-82D
85%	Oslo 202.18	94.70	6.65	7.89	3.42	1.123-82D
86%	Oslo 203.19	94.70	6.65	7.89	3.42	1.123-82D
87%	Oslo 204.20	94.70	6.65	7.89	3.42	1.123-82D
88%	Oslo 205.21	94.70	6.65	7.89	3.42	1.123-82D
89%	Oslo 206.22	94.70	6.65	7.89	3.42	1.123-82D
90%	Oslo 207.23	94.70	6.65	7.89	3.42	1.123-82D
91%	Oslo 208.24	94.70	6.65	7.89	3.42	1.123-82D
92%	Oslo 209.25	94.70	6.65	7.89	3.42	

APPOINTMENTS

London Transport finance chief

Mr. Ian Phillips, has been appointed by the Greater London Council as a full-time member of the LONDON TRANSPORT EXECUTIVE, with responsibility for finance and planning. Mr. Phillips, a chartered accountant who joined London Transport in 1969, has been mainly concerned with financial and corporate planning. Mr. James Glendinning, executive member for finance and property since 1972, is retiring at the end of the year and until then will concentrate on property matters and pension fund management.

Mr. R. C. Bignell, Mr. J. G. Holdsworth and Mr. D. J. Wood have been appointed directors of ASTLEY AND PEARCE (STERLING).

SCOT MEAT PRODUCTS, Northam, has appointed Mr. Norman B. Sawdon as managing director. Mr. Sawdon, previously director of the company's production director, succeeded Mr. Trevor M. Stephens, who has been appointed managing director of Unigate's UK meat operations. Mr. John Look, previously factory manager at Bletchley, has been appointed production director.

Mr. T. R. Irwin has been appointed managing director of the RICHARDSON-MERRELL division of RICHARDSON-MERRELL. He was previously deputy managing director of Merrell and is also a director of Richardson-Merrell. Mr. A. T. Talbot, who founded Merrell in 1968, will continue as

INSURANCE

Life underwriting needs reappraisal

BY OUR INSURANCE CORRESPONDENT

ONE PROBLEM facing any insurer is selection. For example: should the widest possible spread of risks be taken at a broad average premium; should a narrow band of above average risks be written at below average premiums?

In making any book of insurance, basic underwriting philosophy has to be established, or by mischance the insurer winds up with a majority of substandard risks at substandard premiums—and that way quickly lies financial disaster.

Given that selection between good, average and bad is desirable and that the risk variation should be reflected in both cover provided and premium charged (and certainly this is what the insuring public seem to desire), how much more selective should the insurer aim to be?

Or to put the question another way, what is an average risk? Take life insurance. Is the average risk a smoker or a non-smoker, a teetotaler or an occasional or regular social drinker?

Traditionally the life offices have not taken into account the smoking/non-smoking aspect (partly because until recently, the majority of adults smoked), though they have inquired about drinking habits—primarily to establish whether the proposer is or is not a heavy drinker.

But nowadays less than 50 per cent of the adult population smoke, and there is a deal of evidence that there is an incidence of around 30 per cent-35 per cent of smokers in the middle and upper classes who are most likely to buy substantial amounts of life insurance.

On the other hand, as smoking declines, so drinking increases, particularly among the younger age groups; and some of those in the 30 to 35 age group who are today's heavy drinkers seem destined to become the next decade's near alcoholics.

Should life underwriters now take account of these changing social habits? Should they give rebates for the non-smokers, should they rate up the drinkers?

Should they take account of occupation, of the difference between managerial and

JOINT COMPANY ANNOUNCEMENT

ANGLO AMERICAN CORPORATION OF SOUTH AFRICA LIMITED
ANGLO AMERICAN GOLD INVESTMENT COMPANY LIMITED
DUIKER EXPLORATION LIMITED ("DUIKER")
FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED ("FSS")
WELKOM GOLD MINING COMPANY LIMITED ("WGM")
WESTERN HOLDINGS LIMITED ("WH")
(all of which are incorporated in the Republic of South Africa)

DEVELOPMENT OF A NEW MINE IN THE ERDEDEL/DANKBAARHEID AREA
RATIONALISATION SCHEME
FORMATION OF A WESTERN HOLDINGS COMPANY AND A NEW FINANCE COMPANY

It is announced that agreement in principle has been reached regarding proposals for the development of a mine of 200 000 tons per month in the Erdedel/Dankbaarheid area as part of a larger complex that will result from the merging/rationalisation of operations in the areas currently being mined by FSS, WGM and WH, and for the formation by the mineral right holders of the Erdedel/Dankbaarheid area of a new company to finance the cost of turning this area to account.

The Erdedel/Dankbaarheid area, approximately 4130 hectares in extent, lies immediately to the north of the FSS lease area, and contains a low grade gold and uranium deposit consisting of some 62 000 tonnes of ore at a recovered gold grade of 4.5 grams per ton. Consideration will be given to treating the plant residues containing 0.2 kilograms of uranium per ton at a later stage. It will take about six years to bring the area into production.

The operating rights of WGM and WH, while dependent to some extent on the gold price, are nevertheless relatively limited, and studies have shown that benefits would arise from amalgamation of their mining leases, which have a common boundary. This would result in greater flexibility in mining operations, particularly along the joint boundary, and would enable the most economical use to be made of their combined hoisting and treatment facilities.

The mineral rights of the Erdedel/Dankbaarheid area are held jointly by African and European Investment Company Limited (a subsidiary of Anglo American Corporation of South Africa Limited), Orange Free State Investment Trust Limited (a subsidiary of Anglo American Gold Investment Company Limited) and Duikeer Exploration Limited. This area is regarded as a low grade area incapable of supporting an independent mine as foreseeable gold prices. By mining the area as part of FSS, investment returns are improved, but only become acceptable in terms of the significant capital investment required by making FSS part of a larger WH complex.

A scheme has therefore been evolved in conjunction with the mineral right holders, which is subject to certain conditions, including the consent of the Minister of Mineral and Energy Affairs in so far as the granting and cession of mining leases is concerned. This scheme envisages:

- (i) The cession of the mining lease held by WGM to WH in order to obtain the benefits of rationalisation referred to earlier.
- (ii) An application by the mineral right holders for a mining lease over the Erdedel/Dankbaarheid area, which they will cede to FSS.
- (iii) The cession by FSS of its enlarged mining lease area to WH, to enable use to be made in the exploitation of the Erdedel/Dankbaarheid area of the resources resulting from the amalgamation of the WGM and WH leases. Capital expenditure in the new area will be offset against mining profits in the year in which it is incurred.
- (iv) The formation by the mineral right holders of a new company to finance the net cost of capital expenditure required to exploit the Erdedel/Dankbaarheid area, and to receive a share of the profits therefrom. The new company and Western Holdings Limited will share gross revenue and gross working expenditure in respect of mining in the Erdedel/Dankbaarheid area as follows:

The new company	85 per cent
Western Holdings Limited	15 per cent
	100 per cent

(v) The initial shareholders of the new company will be the mineral right holders and their sub-participants, who will offer WH a 10 per cent subscription right in the equity. The issued capital will thus be held approximately as follows:

	Percentage Interest
Anglo American Corporation of South Africa Limited and participants	44.5 per cent
Anglo American Gold Investment Company Limited	9.5 per cent
Duikeer Exploration Limited	36.0 per cent
Western Holdings Limited	10.0 per cent
	100.0 per cent

At a later date consideration will be given to obtaining stock exchange listings for the shares of the company.

To give effect to the Scheme, it is proposed that:

- (a) WH should acquire from WGM and FSS the assets of those companies (including the mining lease of WGM and the enlarged mining lease of FSS, but excluding the shares in FSS acquired by WGM in terms of sub-paragraph (b) below). The consideration for these acquisitions will be met by the issue by WH of shares, credited as fully paid up, directly to the WGM and FSS companies. It is the intention that the number of WH shares to be issued should be:

to WGM: 3 185 000 shares in WH.
to FSS: 3 663 000 shares in WH.

(b) FSS should become a wholly-owned subsidiary of WGM and that shareholders of FSS should receive 50 WGM shares for every 100 FSS shares held.

The proposed scheme is accordingly contingent upon the passing of resolutions at general meetings of WGM and FSS, agreeing to dispose of the assets of those companies in consideration for shares in WH; upon the FSS shareholders agreeing to the proposals in terms of which FSS will become a wholly-owned subsidiary of WGM; and upon the agreement of members of WGM and WH to the necessary increases in the capitals of those companies to give effect to the proposals. Final implementation of the scheme is subject to the consent of the Minister of Mineral and Energy Affairs.

The boards of directors of WH, WGM and FSS have approved the scheme in principle, subject to the receipt of all necessary consents. The agreement of the mineral right holders of the Erdedel/Dankbaarheid area has also been obtained to the proposals in so far as they affect them.

Further details of the proposals will be announced in due course.

Application has been made to the stock exchanges concerned for the reinstatement of the listings of Duikeer, FSS, WGM and WH shares with effect from Monday, 14th July 1980.

Copies of this announcement are being posted to all members of Duikeer, FSS, WGM and WH at their registered addresses.

Johannesburg
14th July 1980

BUSINESSMAN'S DIARY
UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	Royal Tournament (01-830 6000) (Until July 26)	Earls Court, Olympia
July 11-20	Taste of Asia Exhibition (01-272 4287)	Olympia
July 15-18	Exhibition and Conference on Micro Technology—MICROFAX (061-236 4612)	Manchester
July 18-20	Motor Cycle Show (0855 96348)	Chester
July 20-24	Gift Fair (0282 867153)	Exhibition Centre, Harrogate
July 24-28	Microcomputer Show (0895 38262)	Wembley Conference Centre
Aug. 1-4	Scottish Furniture Trades Exhibition (041 649 1964)	Kelvin Hall, Glasgow
Aug. 3-7	International Gifts Fair (01-855 8201)	Olympia
Aug. 12-18	Computer Graphics Exhibition (09274 28211)	Metropole Hotel, Brighton
Aug. 14-25	Trade and Leisure Exhibition (0302 20827)	Newcastle University
Aug. 17-23	British Instruments Trade Fair (01-855 8201)	Olympia
Aug. 17-20	The Piano and Electronic Organ Trade Fair (01-498 1890)	The Connaught Rooms, London WC3
Aug. 20-23	Ideal Home and Trade Exhibition (06333 64538)	Leisure Centre, Pontypool
Aug. 23-25	Modern Homes Exhibition (0253 54676)	Guildhall, Preston
Aug. 23-25	Trade and Entertainment Exhibition (0689 36431)	Mosk Park, Macclesfield
Aug. 23-30	International Motor Cycle Exhibition (0293 27427)	Earls Court

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Current	National Boat Show (until July 17)	Melbourne
July 16-24	International Photogrammetry Trade Exhibition	Hamburg
July 26-Aug. 3	Trade Fair	Dornbirn
Aug. 5-17	Modern Family Exhibition (02013 4450)	Hamburg
Aug. 10-14	National Fisheries Show	Chicago
Aug. 11-17	International Fisheries Fair	Oso
Aug. 18-Sept. 4	International Exhibition of Agriculture and Food Industry—OMECE	Budapest
Aug. 20-Sept. 20	International Fair	Izmir
Aug. 22-24	Wellington Home Show	Wellington, New Zealand
Aug. 23-27	World Woodworking Exposition	Atlanta
Aug. 26-29	Offshore North Sea Technology Conference and Exhibition	Stavanger
Aug. 30-Sept. 3	International Bridge and Structural Engineering Exhibition	Vienna
Sept. 4-9	Jewellery, Gold, Silver, Clocks and Gifts Exhibition—BIJORICA	Paris
Sept. 12-21	International Autumn Fair (01-486 1951)	Zagreb

BUSINESS AND MANAGEMENT CONFERENCES

Date	Title	Venue
July 14-18	ASM: Inventory Control and the Microcomputer (01-355 1932)	Pembroke College, Oxford
July 14-25	FT Council Financial Management for the non-financial executive (01-621 1355)	The City University
July 15	Oyez IBC: Estate Agents' Remuneration—Sell a Property and get no commission? (01-242 2481)	Duchess Mews, W1
July 16	LCOI: Iraq (01-243 4444)	Cannon Street, EC4
July 17	Oyez-IBC: How to Cope with Personnel Problems (01-242 2481)	Cavendish Conference Centre, W1
July 17-18	Brundage Institute: Inter-Personal Effectiveness Workshop (0895 56461)	Uxbridge
July 20-25	Oyez-IBC: The Language of the Law (01-242 2481)	Lady Margaret Hall, Oxford
July 22-24	The Institution of Civil Engineers: Flood Studies Report—5 years on (01 222 7772)	University of Manchester
July 22-23	Online: Microelectronic Applications (09274 28211)	Wembley Conference Centre
July 22-23	University of Bradford Management Centre: The Causes and Symptoms of Company Failure (Bradford 42399)	Heaton Mount, Bradford
July 23	Baclic: Introduction to Television in Training (01-636 5351)	City University, London
July 28-Aug. 15	Compover Training: School: Basic COBOL (Cannock 2511)	Cannock, Staffs.
Aug. 3-Oct. 24	Baclic: Overseas Training Officers Programme (01-636 5351)	Oxford
Aug. 4-6	MSS: Inventory Management and Control (Worthing 34765)	Worthing
Aug. 6	LCOI: Middle East and North Africa Section "At Home" (01-243 4444)	Cannon St., EC4
Aug. 7-8	British Institute of Management: Effective Speaking—Practice and Coaching using Closed Circuit TV (01-405 3456)	Parker Street, WC3
Aug. 10-24	University of Western Ontario: The 1980 International Symposium on Solar Energy Utilization	Ontario, Canada
Aug. 11-15	CCC: Practical Introduction to UK Business Law (01-222 6363)	Trinity Hall, Cambridge
Aug. 11-12	MSS: Principles of Work Study and Incentive Schemes (0903 34785)	Worthing
Aug. 11-22	CEI: International Financial Management Seminar	Geneva
Aug. 18-19	The British Institute of International and Comparative Law: Multinational Corporations and the International Law Standard (01-636 5902)	Royal Garden Hotel, W8
Aug. 26-28	FT Conference: Agencies into the Eighties and Beyond (01-621 1355)	Royal Lancaster Hotel, W3
Aug. 28-29	BIM: Rapid and Efficient Reading (01-405 3456)	Parker Street, WC3
Sept. 1-3	Brundage Institute of Organisation and Social Studies: Understanding Production for non-production managers (0895 56461)	Uxbridge
Sept. 2-4	CALUS: Shopping Centre Management—Good Management is Good Business (0734 861101)	St. Anne's College, Oxford
Sept. 4-5	FT Conference: The New Sri Lanka—Opportunities for Business (01-621 1355)	Colombo
Sept. 8-12	Institute of Water Pollution Control: Annual Conference and Exhibition	Buxton

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange. It does not constitute an invitation to any person to subscribe for or purchase any Preference Shares.

Outwich Investment Trust Limited

(Incorporated in England under the Companies Acts 1908 to 1977)

Capitalisation Issue of 5,050,069 10 per cent.
Cumulative Preference Shares of £1 each

The Council of The Stock Exchange has admitted the above-mentioned Preference Shares to the Official List. Particulars of the rights attaching to the Preference Shares are available in the Extel Statistical Service and copies of the statistical card may be obtained upon request during normal business hours on any weekday (Saturdays excepted) up to and including 28th July, 1980 from:

Baring Brothers & Co., Limited
88 Leadenhall Street
London EC3A 3DT
14th July, 1980

Cazenove & Co.
12 Tokenhouse Yard
London EC2R 7AN

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or final. The sub-divisions shown below are based mainly on last year's timetable.

COMPANY MEETINGS—TODAY
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